

DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION
PERIMETER CENTER
9960 MAYLAND DRIVE
RICHMOND, VIRGINIA 23233

CIC MANAGER REGULATORY REVIEW COMMITTEE
OF THE
COMMON INTEREST COMMUNITY BOARD

Tentative AGENDA

THURSDAY, NOVEMBER 2, 2023 AT 10:00 AM
2nd FLOOR, BOARD ROOM 3

- I. CALL TO ORDER**
- II. EMERGENCY EVACUATION PROCEDURES**
- III. APPROVAL OF AGENDA**
1. Committee Agenda, November 2, 2023
- IV. PUBLIC COMMENT PERIOD***
- V. OVERVIEW**
1. Members & Staff
 2. Review Purpose of Committee
 3. Primary Responsibilities of the Committee
 - a. Overview of Regulatory Review Process
- VI. RESOURCES AND INFORMATION**
1. Chapter 23.3 of Title 54.1 of the Code of Virginia
 2. Common Interest Community Manager Regulations
 3. Regulatory Review Topics
 4. Community Manager Licensing Requirements from Other States
- VII. NEW BUSINESS**
1. Consider Necessary Regulatory Changes
- VIII. OTHER BUSINESS**
- IX. COMPLETE CONFLICT OF INTEREST FORMS AND TRAVEL VOUCHERS**
- X. ADJOURN**

* Five minute public comment, per person.

Persons desiring to participate in the meeting and requiring special accommodations or interpretative services should contact the Department at (804) 367-0362 at least ten days prior to the meeting so that suitable arrangements can be made for an appropriate accommodation. The Department fully complies with the Americans with Disabilities Act.

PERIMETER CENTER CONFERENCE CENTER
EMERGENCY EVACUATION OF BOARD AND TRAINING ROOMS
(Script to be read at the beginning of each meeting.)

PLEASE LISTEN TO THE FOLLOWING INSTRUCTIONS ABOUT EXITING THE PREMISES IN THE EVENT OF AN EMERGENCY.

In the event of a fire or other emergency requiring the evacuation of the building, alarms will sound. When the alarms sound, leave the room immediately. Follow any instructions given by Security staff

Board Room 1

Exit the room using one of the doors at the back of the room. Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Board Room 2

Exit the room using one of the doors at the back of the room. (Point) Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

You may also exit the room using the side door, turn **Right** out the door and make an immediate **Left**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Board Rooms 3 and 4

Exit the room using one of the doors at the back of the room. Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Training Room 1

Exit the room using one of the doors at the back of the room. Upon exiting the room, turn **LEFT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Training Room 2

Exit the room using one of the doors at the back of the room. Upon exiting the doors, turn **LEFT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

PUBLIC COMMENT PERIOD

Five minute public comment, per person, with the exception of any open disciplinary or application files.

*DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.*

OVERVIEW

a. Review Purpose of Committee

b. Overview of Regulatory Review Process

*DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.*

**Common Interest Community Manager Regulatory Review Committee Members
(2023 Reconvened Committee)**

Pia Trigliani, Chair	Former CIC Board Chair, CIC Attorney
Matt Durham	CIC Board Chair, Ex-officio
Amanda Jonas	Former CIC Board Member, CIC Manager/Developer representative
Drew Mulhare	Former CIC Board Chair
Catherine Noonan	CIC Board Member, Citizen Serving on an Association Board
Paul Orlando	Former CIC Board Member, CIC Manager
Nan Piland	Real Estate Board Member
Anne Sheehan	CIC Board Member, CPA
Tracey Talbert	CIC Board Member, Community Manager

DPOR/Common Interest Community Board Staff

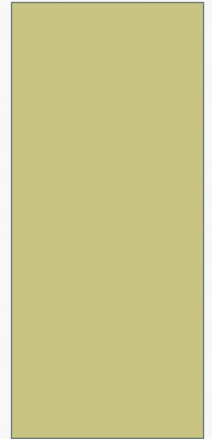
Steven Kirschner	Deputy Director, LRPD
Tanya M. Pettus	Board Administrator
Joseph Haughwout	Regulatory Affairs Manager
Lee D. Bryant	Board and Regulatory Operations Administrator
Rachel Harris	Administrative Coordinator

DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.

DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed

OVERVIEW OF DPOR'S REGULATORY REDUCTION INITIATIVE

DECEMBER 5, 2022



AGENDA

- Background on Initiative
- Framework of Review
- Regulatory Reduction Committees
- Steps Taken So Far
- Projected Next Steps

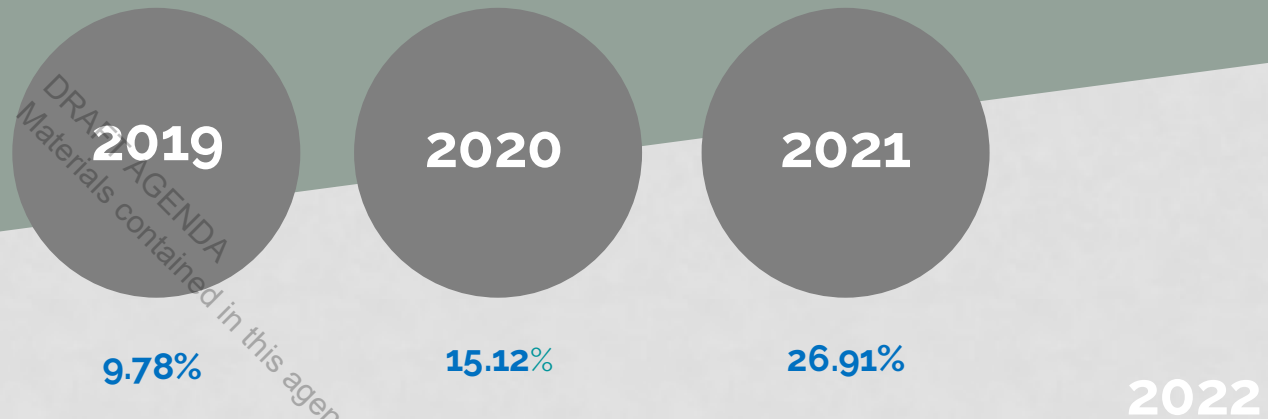
DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed

BACKGROUND

- 2018 Regulatory Reduction Pilot Program
 - Established by 2018 Virginia Acts of the Assembly
 - DPOR and the Department of Criminal Justice Services
 - 25% reduction in three years
 - Secretary of Finance provided annual reports of progress to Speaker of House and Chairman of Senate Rules Committee

DPOR'S REPORTING RESULTS

Net reduction of seven requirements, but through streamlining, Sec. of Finance reported:



Presently, DPOR and its regulatory boards have 49 regulatory chapters in the VAC, with 2,691 regulatory requirements. DPOR reports that 1,951 of these requirements are discretionary. While the net reduction for the review period is only seven requirements, this result does not take into consideration the reduction of the regulatory burden by the use of streamlining practices. These efforts, which account for

BACKGROUND

Governor Youngkin's 1st day in office - Executive Directive Number One

- “Excessive regulation imposes a significant burden on Virginia’s economy. Restrictions, prohibitions, and requirements can exist within the administrative code for years without review, while new laws and regulations are steadily added. The growing regulatory burden on businesses and individuals requires time, money and energy for compliance. This represents opportunity loss that inhibits job creation and economic growth.”.

In order to address these concerns, Governor Youngkin directed all Executive Branch Agencies to initiate regulatory processes to reduce by at least 25 percent the number of regulations not mandated by federal or state statute.

Review Framework

1. Is there a Statutory Requirement? Should it be revised?

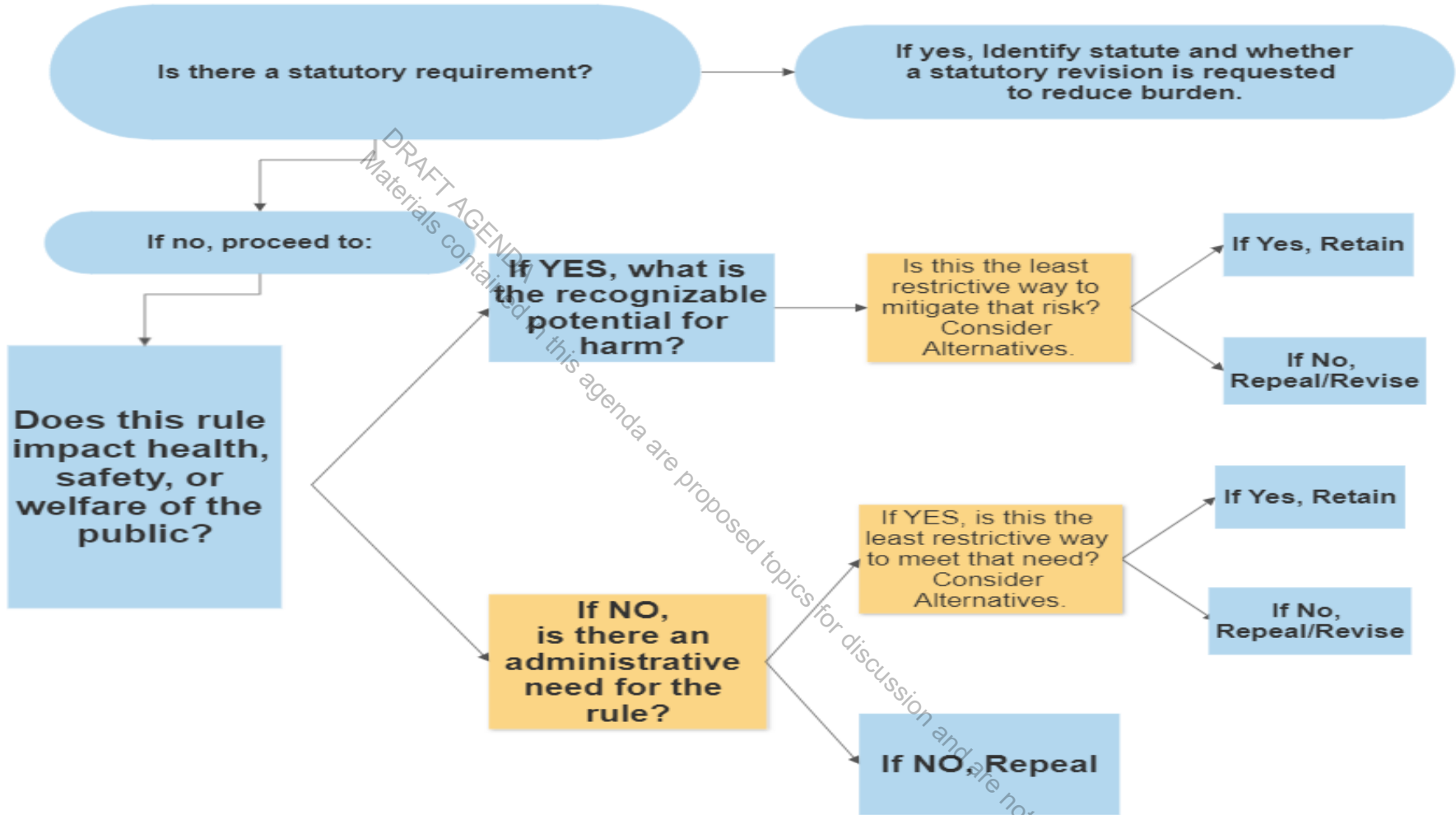
2. Does this rule impact the health, safety, or welfare of the public? How so?

- Is there a less restrictive way to mitigate that risk?
- Consider alternatives, then Retain, Revise, or Repeal

3. Is there an administrative need for this rule?

- Is there a less restrictive way to address that need?
- Consider alternatives, then Retain, Revise, or Repeal

Review Framework



DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed

Regulatory Review Committees

- Multiple committees now meeting to perform comprehensive and targeted reviews of regulations
- “General Review”: Line-by-line review of existing regulations
- Phased reviews balancing staff capabilities with renewed sense of urgency

Regulatory
Review
Committee

Committee of the
Board

BEST PRACTICES

- Regulation must be necessary to protect the health, welfare, and safety of the public, but no more than necessary
- Defense of regulation must be supported by data and evidence
- Regulations establish minimum competency not “raise the bar of the profession”
- Staff will question you because we will be questioned (public, executive branch, etc.)
- Outreach: encourage public comment/participation throughout the process; everyone has a voice, not just committee and board members

STEPS TAKEN

- 15 out of 34 Regulatory Chapters under Review
 - 11 separate regulatory boards have begun line by line review of their regulations (ALHI, Auctioneers, BarberCosmo, Contractors, HASOPT, Polygraph, BMAW, WWWOOSP, Real Estate, PSSWPG, and WMFO)
- 8 Regulatory General Reduction Actions Initiated (Notices of Intended Regulatory Action)
- 4 additional actions to lower requirements initiated under ED #1 (Cosmo hours reduction, and Contractors experience/CE requirements)

NEXT STEPS

- DPOR will continue to file NOIRAs as each board moves through the line by line review
- Certain changes will be separated and handled individually in the reg change process due to unique natures (fast-track eligible, or conversely, particularly controversial).
- All Boards will have started regulatory review by the end of 2023.
- BPOR's role in this process...

Code of Virginia

Title 54.1. Professions and Occupations

Subtitle II. Professions and Occupations Regulated by the Department of Professional and Occupational Regulation and Boards within the Department

Chapter 23.3. Common Interest Communities

Article 1. Common Interest Community Board

§ 54.1-2345. Definitions

As used in this chapter, unless the context requires a different meaning:

"Association" includes condominium, cooperative, or property owners' associations.

"Board" means the Common Interest Community Board.

"Common interest community" means real estate subject to a declaration containing lots, at least some of which are residential or occupied for recreational purposes, and common areas to which a person, by virtue of the person's ownership of a lot subject to that declaration, is a member of the association and is obligated to pay assessments of common expenses, provided that for the purposes of this chapter only, a common interest community does not include any time-share project registered pursuant to the Virginia Real Estate Time-Share Act (§ 55.1-2200 et seq.) or any additional land that is a part of such registration. "Common interest community" does not include an arrangement described in § 54.1-2345.1.

"Common interest community manager" means a person or business entity, including a partnership, association, corporation, or limited liability company, that, for compensation or valuable consideration, provides management services to a common interest community.

"Declaration" means any instrument, however denominated, recorded among the land records of the county or city in which the development or any part thereof is located, that either (i) imposes on the association maintenance or operational responsibilities for the common area as a regular annual assessment or (ii) creates the authority in the association to impose on lots, or on the owners or occupants of such lots, or on any other entity any mandatory payment of money as a regular annual assessment in connection with the provision of maintenance or services or both for the benefit of some or all of the lots, the owners or occupants of the lots, or the common area. "Declaration" includes any amendment or supplement to the instruments described in this definition.

"Governing board" means the governing board of an association, including the executive organ of a condominium unit owners' association, the executive board of a cooperative proprietary lessees' association, and the board of directors or other governing body of a property owners' association.

"Lot" means (i) any plot or parcel of land designated for separate ownership or occupancy shown on a recorded subdivision plat for a development or the boundaries of which are described in the declaration or in a recorded instrument referred to or expressly contemplated by the declaration, other than a common area, and (ii) a unit in a condominium association or a unit in a real estate cooperative.

"Management services" means (i) acting with the authority of an association in its business, legal,

financial, or other transactions with association members and nonmembers; (ii) executing the resolutions and decisions of an association or, with the authority of the association, enforcing the rights of the association secured by statute, contract, covenant, rule, or bylaw; (iii) collecting, disbursing, or otherwise exercising dominion or control over money or other property belonging to an association; (iv) preparing budgets, financial statements, or other financial reports for an association; (v) arranging, conducting, or coordinating meetings of an association or the governing body of an association; (vi) negotiating contracts or otherwise coordinating or arranging for services or the purchase of property and goods for or on behalf of an association; or (vii) offering or soliciting to perform any of the aforesaid acts or services on behalf of an association.

2008, cc. [851](#), [871](#);2019, c. [712](#);2020, c. [592](#).

§ 54.1-2345.1. Certain real estate arrangements and covenants not deemed to constitute a common interest community

A. An arrangement between the associations for two or more common interest communities to share the costs of real estate taxes, insurance premiums, services, maintenance, or improvements of real estate, or other activities specified in their arrangement or declarations does not create a separate common interest community, or an arrangement between an association and the owner of real estate that is not part of a common interest community to share the costs of real estate taxes, insurance premiums, services, maintenance, or improvements of real estate, or other activities specified in their arrangement does not create a separate common interest community. Assessments against the lots in the common interest community required by such arrangement shall be included in the periodic budget for the common interest community, and the arrangement shall be disclosed in all required public offering statements and resale certificates.

B. A covenant requiring the owners of separately owned parcels of real estate to share costs or other obligations associated with a party wall, driveway, well, or other similar use does not create a common interest community unless the owners otherwise agree to create such community.

2019, c. [712](#);2023, cc. [387](#), [388](#).

§ 54.1-2346. License required; certification of employees; renewal; provisional license

A. Unless exempted by § [54.1-2347](#), any person, partnership, corporation, or other entity offering management services to a common interest community on or after January 1, 2009, shall hold a valid license issued in accordance with the provisions of this article prior to engaging in such management services.

B. Unless exempted by § [54.1-2347](#), any person, partnership, corporation, or other entity offering management services to a common interest community without being licensed in accordance with the provisions of this article shall be subject to the provisions of § [54.1-111](#).

C. On or after July 1, 2012, it shall be a condition of the issuance or renewal of the license of a common interest community manager that all employees of the common interest community manager who have principal responsibility for management services provided to a common interest community or who have supervisory responsibility for employees who participate directly in the provision of management services to a common interest community shall, within two years after employment with the common interest community manager, hold a certificate issued by the Board certifying the person possesses the character and minimum skills to engage properly in the provision of management services to a common interest community or shall be

under the direct supervision of a certified employee of such common interest community manager. A common interest community manager shall notify the Board if a certificated employee is discharged or in any way terminates his active status with the common interest community manager.

D. It shall be a condition of the issuance or renewal of the license of a common interest community manager that the common interest community manager shall obtain and maintain a blanket fidelity bond or employee dishonesty insurance policy insuring the common interest community manager against losses resulting from theft or dishonesty committed by the officers, directors, and persons employed by the common interest community manager. Such bond or insurance policy shall include coverage for losses of clients of the common interest community manager resulting from theft or dishonesty committed by the officers, directors, and persons employed by the common interest community manager. Such bond or insurance policy shall provide coverage in an amount equal to the lesser of \$2 million or the highest aggregate amount of the operating and reserve balances of all associations under the control of the common interest community manager during the prior fiscal year. The minimum coverage amount shall be \$10,000.

E. It shall be a condition of the issuance or renewal of the license of a common interest community manager that the common interest community manager certifies to the Board (i) that the common interest community manager is in good standing and authorized to transact business in Virginia; (ii) that the common interest community manager has established a code of conduct for the officers, directors, and persons employed by the common interest community manager to protect against conflicts of interest; (iii) that the common interest community manager provides all management services pursuant to written contracts with the associations to which such services are provided; (iv) that the common interest community manager has established a system of internal accounting controls to manage the risk of fraud or illegal acts; and (v) that an independent certified public accountant reviews or audits the financial statements of the common interest community manager at least annually in accordance with standards established by the American Institute of Certified Public Accountants or by any successor standard-setting authorities.

2008, cc. [851](#), [871](#);2011, cc. [334](#), [605](#);2019, c. [712](#).

§ 54.1-2347. Exceptions and exemptions generally

A. The provisions of this article shall not be construed to prevent or prohibit:

1. An employee of a duly licensed common interest community manager from providing management services within the scope of the employee's employment by the duly licensed common interest community manager;
2. An employee of an association from providing management services for that association's common interest community;
3. A resident of a common interest community acting without compensation from providing management services for that common interest community;
4. A resident of a common interest community from providing bookkeeping, billing, or recordkeeping services for that common interest community for compensation, provided the blanket fidelity bond or employee dishonesty insurance policy maintained by the association insures the association against losses resulting from theft or dishonesty committed by such

person;

5. A member of the governing board of an association acting without compensation from providing management services for that association's common interest community;

6. A person acting as a receiver or trustee in bankruptcy in the performance of his duties as such or any person acting under order of any court from providing management services for a common interest community;

7. A duly licensed attorney-at-law from representing an association or a common interest community manager in any business that constitutes the practice of law;

8. A duly licensed certified public accountant from providing bookkeeping or accounting services to an association or a common interest community manager;

9. A duly licensed real estate broker or agent from selling, leasing, renting, or managing lots within a common interest community; or

10. An association, exchange agent, exchange company, managing agent, or managing entity of a time-share project registered pursuant to the Virginia Real Estate Time-Share Act (§ 55.1-2200 et seq.) from providing management services for such time-share project.

B. A licensee of the Board shall comply with the Board's regulations, notwithstanding the fact that the licensee would be otherwise exempt from licensure under subsection A. Nothing in this subsection shall be construed to require a person to be licensed in accordance with this article if he would be otherwise exempt from such licensure.

2008, cc. 851, 871;2010, c. 511;2011, cc. 334, 605;2019, c. 712.

§ 54.1-2348. Common Interest Community Board; membership; meetings; quorum

There is hereby created the Common Interest Community Board (the Board) as a policy board, within the meaning of § 2.2-2100, in the executive branch of state government. Members of the Board shall be appointed by the Governor and consist of 11 members as follows: three shall be representatives of Virginia common interest community managers, one shall be a Virginia attorney whose practice includes the representation of associations, one shall be a representative of a Virginia certified public accountant whose practice includes providing attest services to associations, one shall be a representative of the Virginia time-share industry, two shall be representatives of developers of Virginia common interest communities, and three shall be Virginia citizens, one of whom serves or who has served on the governing board of an association that is not professionally managed at the time of appointment and two of whom reside in a common interest community. Of the initial appointments, one representative of Virginia common interest community managers and one representative of developers of Virginia common interest communities shall serve terms of two years and one representative of Virginia common interest community managers and one representative of developers of Virginia common interest communities shall serve terms of three years; the Virginia attorney shall serve a term of three years; the Virginia certified public accountant shall serve a term of one year; the Virginia citizen who serves or who has served on the governing board of an association shall serve a term of two years, and the two Virginia citizens who reside in a common interest community shall serve terms of one year. All other initial appointments and all subsequent appointments shall be for terms for four years, except that vacancies may be filled for the remainder of the unexpired term. Each appointment of a representative of a Virginia common interest community manager to the

Board may be made from nominations submitted by the Virginia Association of Community Managers, who may nominate no more than three persons for each manager vacancy. In no case shall the Governor be bound to make any appointment from such nominees. No person shall be eligible to serve for more than two successive four-year terms.

The Board shall meet at least once each year and at other such times as it deems necessary. The Board shall elect from its membership a chairman and a vice-chairman to serve for a period of one year. A majority of the Board shall constitute a quorum. The Board is vested with the powers and duties necessary to execute the purposes of this article.

2008, cc. 851, 871;2010, c. 511;2012, c. 522;2019, c. 712.

§ 54.1-2349. Powers and duties of the Board

A. The Board shall administer and enforce the provisions of this article. In addition to the provisions of §§ 54.1-201 and 54.1-202, the Board shall:

1. Promulgate regulations necessary to carry out the requirements of this article in accordance with the provisions of the Administrative Process Act (§ 2.2-4000 et seq.), including the prescription of fees, procedures, and qualifications for the issuance and renewal of common interest community manager licenses. Upon application for license and each renewal thereof, the applicant shall pay a fee established by the Board, which shall be placed to the credit of the Common Interest Community Management Information Fund established pursuant to § 54.1-2354.2;
2. Establish criteria for the licensure of common interest community managers to ensure the appropriate training and educational credentials for the provision of management services to common interest communities. Such criteria may include experiential requirements and shall include designation as an Accredited Association Management Company by the Community Associations Institute. As an additional alternative to such designation, the Board shall have authority, by regulation, to include one of the following: (i) successful completion of another Board-approved training program and certifying examination or (ii) successful completion of a Virginia testing program to determine the quality of the training and educational credentials for and competence of common interest community managers;
3. Establish criteria for the certification of the employees of common interest community managers who have principal responsibility for management services provided to a common interest community or who have supervisory responsibility for employees who participate directly in the provision of management services to a common interest community to ensure the person possesses the character and minimum skills to engage properly in the provision of management services to a common interest community. Such criteria shall include designation as a Certified Manager of Community Associations by the Community Association Managers International Certification Board, designation as an Association Management Specialist by the Community Associations Institute, or designation as a Professional Community Association Manager by the Community Associations Institute. As an additional alternative to such designations, the Board shall have authority, by regulation, to include one of the following: (i) successful completion of another Board-approved training program as developed by the Virginia Association of Realtors or other organization, and certifying examination, or (ii) successful completion of a Virginia testing program to determine the quality of the training and educational credentials for and competence of the employees of common interest community managers who participate directly in the provision of management services to a common interest community.

The fee paid to the Board for the issuance of such certificate shall be paid to the Common Interest Community Management Information Fund established pursuant to § 54.1-2354.2;

4. Approve the criteria for accredited common interest community manager training programs;

5. Approve accredited common interest community manager training programs;

6. Establish, by regulation, standards of conduct for common interest community managers and for employees of common interest community managers certified in accordance with the provisions of this article;

7. Establish, by regulation, an education-based certification program for persons who are involved in the business or activity of providing management services for compensation to common interest communities. The Board shall have the authority to approve training courses and instructors in furtherance of the provisions of this article;

8. Issue a certificate of registration to each association that has properly filed in accordance with this chapter; and

9. Develop and publish best practices for the content of declarations consistent with the requirements of the Property Owners' Association Act (§ 55.1-1800 et seq.).

B. 1. The Board shall have the sole responsibility for the administration of this article and for the promulgation of regulations to carry out the requirements thereof.

2. The Board shall also be responsible for the enforcement of this article, provided that the Real Estate Board shall have the sole responsibility for the enforcement of this article with respect to a real estate broker, real estate salesperson, or real estate brokerage firm licensed in accordance with Chapter 21 (§ 54.1-2100 et seq.) who is also licensed as a common interest community manager.

3. For purposes of enforcement of this article or the Property Owners' Association Act (§ 55.1-1800 et seq.), the Virginia Condominium Act (§ 55.1-1900 et seq.), the Virginia Real Estate Cooperative Act (§ 55.1-2100 et seq.), the Virginia Real Estate Time-Share Act (§ 55.1-2200 et seq.), or the Resale Disclosure Act (§ 55.1-2307 et seq.), any requirement for the conduct of a hearing shall be satisfied by an informal fact-finding proceeding convened and conducted pursuant to § 2.2-4019 of the Administrative Process Act (§ 2.2-4000 et seq.).

C. The Board is authorized to obtain criminal history record information from any state or federal law-enforcement agency relating to an applicant for licensure or certification. Any information so obtained is for the exclusive use of the Board and shall not be released to any other person or agency except in furtherance of the investigation of the applicant or with the authorization of the applicant or upon court order.

D. Notwithstanding the provisions of subsection A of § 54.1-2354.4, the Board may receive a complaint directly from any person aggrieved by an association's failure to deliver a resale certificate in accordance with Chapter 23.1 (§ 55.1-2307 et seq.) of Title 55.1.

2008, cc. 851, 871;2009, c. 557;2010, cc. 511, 615;2011, c. 334;2012, cc. 481, 797;2015, c. 268; 2017, cc. 387, 393, 405, 406;2019, cc. 391, 712;2023, cc. 387, 388.

§ 54.1-2350. Annual report; form to accompany resale certificates

In addition to the provisions of § 54.1-2349, the Board shall:

1. Administer the provisions of Article 2 (§ 54.1-2354.1 et seq.);
 2. Develop and disseminate an association annual report form for use in accordance with §§ 55.1-1835, 55.1-1980, and 55.1-2182; and
 3. Develop and disseminate a standardized resale certificate form, which shall contain disclosure statements in the order listed in § 55.1-2310. The form shall provide for the attachment of reference documents and contain space for an association to indicate those disclosures that pertain to its particular community. The form shall also provide that the purchaser remains responsible for his own examination of the resale certificate and of any attached reference documents.
- 2008, cc. 851, 871; 2017, c. 257; 2018, cc. 70, 733; 2019, cc. 390, 712; 2022, cc. 65, 66; 2023, cc. 387, 388.

§ 54.1-2351. General powers and duties of Board concerning associations

A. The Board may adopt, amend, and repeal rules and regulations and issue orders consistent with and in furtherance of the objectives of this article, but the Board may not intervene in the internal activities of an association except to the extent necessary to prevent or cure violations of this article or of the chapter pursuant to which the association is created. The Board may prescribe forms and procedures for submitting information to the Board.

B. If it appears that any governing board has engaged, is engaging, or is about to engage in any act or practice in violation of this article, the Property Owners' Association Act (§ 55.1-1800 et seq.), the Virginia Condominium Act (§ 55.1-1900 et seq.), the Virginia Real Estate Cooperative Act (§ 55.1-2100 et seq.), the Virginia Real Estate Time-Share Act (§ 55.1-2200 et seq.), the Resale Disclosure Act (§ 55.1-2307 et seq.), or any of the Board's regulations or orders, the Board without prior administrative proceedings may bring an action in the appropriate court to enjoin that act or practice or for other appropriate relief. The Board is not required to post a bond or prove that no adequate remedy at law exists.

C. The Board may intervene in any action involving a violation by a declarant or a developer of a time-share project of this article, the Property Owners' Association Act (§ 55.1-1800 et seq.), the Virginia Condominium Act (§ 55.1-1900 et seq.), the Virginia Real Estate Cooperative Act (§ 55.1-2100 et seq.), the Virginia Real Estate Time-Share Act (§ 55.1-2200 et seq.), the Resale Disclosure Act (§ 55.1-2307 et seq.), or any of the Board's regulations or orders.

D. The Board may accept grants-in-aid from any governmental source and may contract with agencies charged with similar functions in this or other jurisdictions in furtherance of the objectives of this article.

E. The Board may cooperate with agencies performing similar functions in this and other jurisdictions to develop uniform filing procedures and forms, uniform disclosure standards, and uniform administrative practices, and may develop information that may be useful in the discharge of the Board's duties.

F. In issuing any cease and desist order, the Board shall state the basis for the adverse determination and the underlying facts.

G. Without limiting the remedies that may be obtained under this article, the Board, without compliance with the Administrative Process Act (§ 2.2-4000 et seq.), shall have the authority to

enforce the provisions of this section and may institute proceedings in equity to enjoin any person, partnership, corporation, or any other entity violating this article, the Property Owners' Association Act (§ 55.1-1800 et seq.), the Virginia Condominium Act (§ 55.1-1900 et seq.), the Virginia Real Estate Cooperative Act (§ 55.1-2100 et seq.), the Virginia Real Estate Time-Share Act (§ 55.1-2200 et seq.), the Resale Disclosure Act (§ 55.1-2307 et seq.), or any of the Board's regulations or orders. Such proceedings shall be brought in the name of the Commonwealth by the Board in the circuit court or general district court of the city or county in which the unlawful act occurred or in which the defendant resides.

H. The Board may assess a monetary penalty to be paid to the Common Interest Community Management Information Fund of not more than \$1,000 per violation against any governing board that violates any provision of this article, the Property Owners' Association Act (§ 55.1-1800 et seq.), the Virginia Condominium Act (§ 55.1-1900 et seq.), the Virginia Real Estate Cooperative Act (§ 55.1-2100 et seq.), the Virginia Real Estate Time-Share Act (§ 55.1-2200 et seq.), the Resale Disclosure Act (§ 55.1-2307 et seq.), or any of the Board's regulations or orders. In determining the amount of the penalty, the Board shall consider the degree and extent of harm caused by the violation. No monetary penalty may be assessed under this article, the Property Owners' Association Act (§ 55.1-1800 et seq.), the Virginia Condominium Act (§ 55.1-1900 et seq.), the Virginia Real Estate Cooperative Act (§ 55.1-2100 et seq.), the Virginia Real Estate Time-Share Act (§ 55.1-2200 et seq.), the Resale Disclosure Act (§ 55.1-2307 et seq.), or any of the Board's regulations or orders unless the governing board has been given notice and an opportunity to be heard pursuant to the Administrative Process Act (§ 2.2-4000 et seq.). The penalty may be sued for and recovered in the name of the Commonwealth.

2008, cc. 851, 871;2009, c. 557;2010, c. 615;2019, c. 712;2023, cc. 387, 388.

§ 54.1-2352. Cease and desist orders

A. The Board may issue an order requiring the governing board of the association to cease and desist from the unlawful practice and to take such affirmative action as in the judgment of the Board will carry out the purposes of this article, if the Board determines after notice and hearing that the governing board of an association has:

1. Violated any statute or regulation of the Board governing the association regulated pursuant to this article, including engaging in any act or practice in violation of this article, the Property Owners' Association Act (§ 55.1-1800 et seq.), the Virginia Condominium Act (§ 55.1-1900 et seq.), the Virginia Real Estate Cooperative Act (§ 55.1-2100 et seq.), the Virginia Real Estate Time-Share Act (§ 55.1-2200 et seq.), the Resale Disclosure Act (§ 55.1-2307 et seq.), or any of the Board's regulations or orders;
2. Failed to register as an association or to file an annual report as required by statute or regulation;
3. Materially misrepresented facts in an application for registration or an annual report; or
4. Willfully refused to furnish the Board information or records required or requested pursuant to statute or regulation.

B. If the Board makes a finding of fact in writing that the public interest will be irreparably harmed by delay in issuing an order, it may issue a temporary order to cease and desist or to take such affirmative action as may be deemed appropriate by the Board. Prior to issuing the temporary order, the Board shall give notice of the proposal to issue a temporary order to the

person. Every temporary order shall include in its terms a provision that upon request a hearing will be held promptly to determine whether or not it becomes permanent.

2008, cc. 851, 871;2009, c. 557;2019, cc. 467, 712;2023, cc. 387, 388.

§ 54.1-2353. Protection of the interests of associations; appointment of receiver for common interest community manager

A. A common interest community manager owes a fiduciary duty to the associations to which it provides management services with respect to the manager's handling the funds or the records of each association. All funds deposited with the common interest community manager shall be handled in a fiduciary capacity and shall be kept in a separate fiduciary trust account or accounts in an FDIC-insured financial institution separate from the assets of the common interest community manager. The funds shall be the property of the association and shall be segregated for each depository in the records of the common interest community manager in a manner that permits the funds to be identified on an association basis. All records having administrative or fiscal value to the association that a common interest community manager holds, maintains, compiles, or generates on behalf of a common interest community are the property of the association. A common interest community manager may retain and dispose of association records in accordance with a policy contained in the contract between the common interest community manager and the association. Within a reasonable time after a written request for any such records, the common interest community manager shall provide copies of the requested records to the association at the association's expense. The common interest community manager shall return all association records that it retains and any originals of legal instruments or official documents that are in the possession of the common interest community manager to the association within a reasonable time after termination of the contract for management services without additional cost to the association. Records maintained in electronic format may be returned in such format.

B. If the Board has reasonable cause to believe that a common interest community manager is unable to properly discharge its fiduciary responsibilities to an association to which it provides management services, the Board may submit an ex parte petition to the circuit court of the city or county wherein the common interest community manager maintains an office or is doing business for the issuance of an order authorizing the immediate inspection by and production to representatives of the petitioner of any records, documents, and physical or other evidence belonging to the subject common interest community manager. The court may issue such order without notice to the common interest community manager if the petition, supported by affidavit of the petitioner and such other evidence as the court may require, shows reasonable cause to believe that such action is required to prevent immediate loss of property of one or more of the associations to which the subject common interest community manager provides management services. The court may also temporarily enjoin further activity by the common interest community manager and take such further action as shall be necessary to conserve, protect, and disburse the funds involved, including the appointment of a receiver. The papers filed with the court pursuant to this subsection shall be placed under seal.

C. If the Board has reasonable cause to believe that a common interest community manager is unable to properly discharge its fiduciary responsibilities to an association to which it provides management services, the Board may file a petition with the circuit court of the county or city wherein the subject common interest community manager maintains an office or is doing business. The petition may seek the following relief: (i) an injunction prohibiting the withdrawal

of any bank deposits or the disposition of any other assets belonging to or subject to the control of the subject common interest community manager and (ii) the appointment of a receiver for all or part of the funds or property of the subject common interest community manager. The subject common interest community manager shall be given notice of the time and place of the hearing on the petition and an opportunity to offer evidence. The court, in its discretion, may require a receiver appointed pursuant to this section to post bond, with or without surety. The papers filed with the court under this subsection shall be placed under seal until such time as the court grants an injunction or appoints a receiver. The court may issue an injunction, appoint a receiver, or provide such other relief as the court may consider proper if, after a hearing, the court finds that such relief is necessary or appropriate to prevent loss of property of one or more of the associations to which the subject common interest community manager provides management services.

D. In any proceeding under subsection C, any person or entity known to the Board to be indebted to or having in his possession property, real or personal, belonging to or subject to the control of the subject common interest community manager's business and which property the Board reasonably believes may become part of the receivership assets shall be served with a copy of the petition and notice of the time and place of the hearing.

E. The court shall describe the powers and duties of the receiver in its appointing order, which may be amended from time to time. The receiver shall, unless otherwise ordered by the court in the appointing order, (i) prepare and file with the Board a list of all associations managed by the subject common interest community manager; (ii) notify in writing all of the associations to which the subject common interest community manager provides management services of the appointment and take whatever action the receiver deems appropriate to protect the interests of the associations until such time as the associations have had an opportunity to obtain a successor common interest community manager; (iii) facilitate the transfer of records and information to such successor common interest community manager; (iv) identify and take control of all bank accounts, including without limitation trust and operating accounts, over which the subject common interest community manager had signatory authority in connection with its management business; (v) prepare and submit an accounting of receipts and disbursements and account balances of all funds under the receiver's control for submission to the court within four months of the appointment and annually thereafter until the receivership is terminated by the court; (vi) attempt to collect any accounts receivable related to the subject common interest community manager's business; (vii) identify and attempt to recover any assets wrongfully diverted from the subject common interest community manager's business, or assets acquired with funds wrongfully diverted from the subject common interest community manager's business; (viii) terminate the subject common interest community manager's business; (ix) reduce to cash all of the assets of the subject common interest community manager; (x) determine the nature and amount of all claims of creditors of the subject common interest community manager, including associations to which the subject common interest community manager provided management services; and (xi) prepare and file with the court a report of such assets and claims proposing a plan for the distribution of funds in the receivership to such creditors in accordance with the provisions of subsection F.

F. Upon the court's approval of the receiver's report referenced in subsection E, at a hearing after such notice as the court may require to creditors, the receiver shall distribute the assets of the common interest community manager and funds in the receivership first to clients whose funds were or ought to have been held in a fiduciary capacity by the subject common interest

community manager, then to the receiver for fees, costs, and expenses awarded pursuant to subsection G, and thereafter to the creditors of the subject common interest community manager, and then to the subject common interest community manager or its successors in interest.

G. A receiver appointed pursuant to this section shall be entitled, upon proper application to the court in which the appointment was made, to recover an award of reasonable fees, costs, and expenses. If there are not sufficient nonfiduciary funds to pay the award, then the shortfall shall be paid by the Common Interest Community Management Recovery Fund as a cost of administering the Fund pursuant to § 54.1-2354.5, to the extent that the said Fund has funds available. The Fund shall have a claim against the subject common interest community manager for the amount paid.

H. The court may determine whether any assets under the receiver's control should be returned to the subject common interest community manager.

I. If the Board shall find that any common interest community manager is insolvent, that its merger into another common interest community manager is desirable for the protection of the associations to which such common interest community manager provides management services, and that an emergency exists, and, if the board of directors of such insolvent common interest community manager shall approve a plan of merger of such common interest community manager into another common interest community manager, compliance with the requirements of § 13.1-718 shall be dispensed with as to such insolvent common interest community manager and the approval by the Board of such plan of merger shall be the equivalent of approval by the holders of more than two-thirds of the outstanding shares of such insolvent common interest community manager for all purposes of Article 12 (§ 13.1-715.1 et seq.) of Chapter 9 of Title 13.1. If the Board finds that a common interest community manager is insolvent, that the acquisition of its assets by another common interest community manager is in the best interests of the associations to which such common interest community manager provides management services, and that an emergency exists, it may, with the consent of the boards of directors of both common interest community managers as to the terms and conditions of such transfer, including the assumption of all or certain liabilities, enter an order transferring some or all of the assets of such insolvent common interest community manager to such other common interest community manager, and no compliance with the provisions of §§ 13.1-723 and 13.1-724 shall be required, nor shall §§ 13.1-730 through 13.1-741 be applicable to such transfer. In the case either of such a merger or of such a sale of assets, the Board shall provide that prompt notice of its finding of insolvency and of the merger or sale of assets be sent to the stockholders of record of the insolvent common interest community manager for the purpose of providing such shareholders an opportunity to challenge the finding that the common interest community manager is insolvent. The relevant books and records of such insolvent common interest community manager shall remain intact and be made available to such shareholders for a period of 30 days after such notice is sent. The Board's finding of insolvency shall become final if a hearing before the Board is not requested by any such shareholder within such 30-day period. If, after such hearing, the Board finds that such common interest community manager was solvent, it shall rescind its order entered pursuant to this subsection and the merger or transfer of assets shall be rescinded. But if, after such hearing, the Board finds that such common interest community manager was insolvent, its order shall be final.

J. The provisions of this article are declared to be remedial. The purpose of this article is to

protect the interests of associations adversely affected by common interest community managers who have breached their fiduciary duty. The provisions of this article shall be liberally administered in order to protect those interests and thereby the public's interest in the quality of management services provided by Virginia common interest community managers.

2008, cc. 851, 871;2011, cc. 334, 605;2019, c. 712.

§ 54.1-2354. Variation by agreement

Except as expressly provided in this article, provisions of this article may not be varied by agreement, and rights conferred by this article may not be waived. All management agreements entered into by common interest community managers shall comply with the terms of this article and the provisions of the Property Owners' Association Act (§ 55.1-1800 et seq.), the Virginia Condominium Act (§ 55.1-1900 et seq.), the Virginia Real Estate Cooperative Act (§ 55.1-2100 et seq.), or the Virginia Real Estate Time-Share Act (§ 55.1-2200 et seq.), as applicable.

2008, cc. 851, 871;2019, c. 712.

Article 2. Common Interest Community Management Information Fund; Common Interest Community Ombudsman; Common Interest Community Management Recovery Fund

§ 54.1-2354.1. Definitions

As used in this article, unless the context requires a different meaning:

"Balance of the fund" means cash, securities that are legal investments for fiduciaries under the provisions of subdivisions A 1, 2, and 4 of § 2.2-4519, and repurchase agreements secured by obligations of the United States government or any agency thereof, and shall not mean accounts receivable, judgments, notes, accrued interest, or other obligations to the fund.

"Claimant" means, upon proper application to the Director, a receiver for a common interest community manager appointed pursuant to § 54.1-2353 in those cases in which there are not sufficient funds to restore all funds that were or ought to have been held in a fiduciary capacity by the subject common interest community manager or to pay an award of reasonable fees, costs, and expenses to the receiver.

"Director" means the Director of the Department of Professional and Occupational Regulation.

1993, c. 958; 2008, cc. 851, 871, § 55-528; 2019, c. 712.

§ 54.1-2354.2. Common Interest Community Management Information Fund

A. There is hereby created the Common Interest Community Management Information Fund, referred to in this section as "the Fund," to be used in the discretion of the Board to promote the improvement and more efficient operation of common interest communities through research and education. The Fund shall be established on the books of the Comptroller. The Fund shall consist of money paid into it pursuant to §§ 54.1-2349, 55.1-1835, 55.1-1980, and 55.1-2182, and such money shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but, at the discretion of the Board, shall remain in the Fund or shall be transferred to the Common Interest Community Management Recovery Fund established pursuant to § 54.1-2354.5

B. Expenses for the operations of the Office of the Common Interest Community Ombudsman, including the compensation paid to the Common Interest Community Ombudsman, shall be paid first from interest earned on deposits constituting the Fund and the balance from the moneys collected annually in the Fund. The Board may use the remainder of the interest earned on the balance of the Fund and of the moneys collected annually and deposited in the Fund for financing or promoting the following:

1. Information and research in the field of common interest community management and operation;
2. Expedient and inexpensive procedures for resolving complaints about an association from members of the association or other citizens;
3. Seminars and educational programs designed to address topics of concern to community associations; and
4. Other programs deemed necessary and proper to accomplish the purpose of this article.

C. Following the close of any biennium, when the Common Interest Community Management Information Fund shows expenses allocated to it for the past biennium to be more than 10 percent greater or less than moneys collected on behalf of the Board, the Board shall revise the fees levied by it for placement into the Fund so that the fees are sufficient but not excessive to cover expenses. A fee established pursuant to § 55.1-1835, 55.1-1980, or 55.1-2182 shall not exceed \$25 unless such fee is based on the number of units or lots in the association.

1993, c. 958, § 55-529; 2008, cc. 851, 871; 2019, cc. 391, 712.

§ 54.1-2354.3. Common Interest Community Ombudsman; appointment; powers and duties

A. The Director in accordance with § 54.1-303 shall appoint a Common Interest Community Ombudsman (the Ombudsman) and shall establish the Office of the Common Interest Community Ombudsman (the Office). The Ombudsman shall be a member in good standing in the Virginia State Bar. All state agencies shall assist and cooperate with the Office in the performance of its duties under this article.

B. The Office shall:

1. Assist members in understanding rights and the processes available to them according to the laws and regulations governing common interest communities and respond to general inquiries;
2. Make available, either separately or through an existing website, information concerning common interest communities and such additional information as may be deemed appropriate;
3. Receive notices of final adverse decisions and may either (i) refer such decision to the Board for further review of whether such decision is in conflict with laws or Board regulations governing common interest communities or interpretations thereof by the Board or (ii) make a determination of whether a final adverse decision is in conflict with laws or Board regulations governing common interest communities or interpretations thereof by the Board and promptly notify the complainant of such determination. If the Office determines that such conflict exists, the Office shall promptly notify the governing board, and if applicable the common interest community manager, of the association that issued the final adverse decision that such decision is in conflict with laws or Board regulations governing common interest communities or

interpretations thereof by the Board. If within 365 days of issuing such determination the Ombudsman receives a subsequent notice of final adverse decision for the same violation, the Office shall refer the matter to the Board;

4. Upon request, assist members in understanding the rights and processes available under the laws and regulations governing common interest communities and provide referrals to public and private agencies offering alternative dispute resolution services, with a goal of reducing and resolving conflicts among associations and their members;

5. Ensure that members have access to the services provided through the Office and that the members receive timely responses from the representatives of the Office to the inquiries;

6. Maintain data on inquiries received, referrals made to the Board, types of assistance requested, notices of final adverse decisions received, actions taken, and the disposition of each such matter;

7. Upon request to the Director by (i) any of the standing committees of the General Assembly having jurisdiction over common interest communities or (ii) the Housing Commission, provide to the Director for dissemination to the requesting parties assessments of proposed and existing common interest community laws and other studies of common interest community issues;

8. Monitor changes in federal and state laws relating to common interest communities;

9. Provide information to the Director that will permit the Director to report annually on the activities of the Office of the Common Interest Community Ombudsman to the standing committees of the General Assembly having jurisdiction over common interest communities and to the Housing Commission. The Director's report shall be filed by December 1 of each year and shall include a summary of significant new developments in federal and state laws relating to common interest communities each year; and

10. Carry out activities as the Board determines to be appropriate.

1993, c. 958, § 55-530; 1997, c. 222; 1998, c. 463; 2001, c. 816; 2008, cc. 851, 871; 2010, cc. 59, 208; 2012, cc. 481, 797; 2019, c. 712; 2023, cc. 20, 21.

§ 54.1-2354.4. Association complaint procedures; final adverse decisions

A. The Board shall establish by regulation a requirement that each association shall establish reasonable procedures for the resolution of written complaints from the members of the association and other citizens. Each association shall adhere to the written procedures established pursuant to this subsection when resolving association member and citizen complaints. The procedures shall include the following:

1. A record of each complaint shall be maintained for no less than one year after the association acts upon the complaint.

2. Such association shall provide complaint forms or written procedures to be given to persons who wish to register written complaints. The forms or procedures shall include the address and telephone number of the association or its common interest community manager to which complaints shall be directed and the mailing address, telephone number, and electronic mailing address of the Office. The forms and written procedures shall include a clear and understandable description of the complainant's right to give notice of adverse decisions pursuant to this section.

B. A complainant may give notice to the Ombudsman of any final adverse decision in accordance with regulations promulgated by the Board. The notice shall be filed within 30 days of the final adverse decision, shall be in writing on forms prescribed by the Board, shall include copies of all records pertinent to the decision, and shall be accompanied by a \$25 filing fee. The fee shall be collected by the Director and paid directly into the state treasury and credited to the Common Interest Community Management Information Fund pursuant to § 54.1-2354.2. The Board may, for good cause shown, waive or refund the filing fee upon a finding that payment of the filing fee will cause undue financial hardship for the member. The Ombudsman shall provide a copy of the written notice to the governing board, and if applicable the common interest community manager, of the association that made the final adverse decision.

C. The Director or his designee may request additional information concerning any notice of final adverse decision from the association that made the final adverse decision. The association shall provide such information to the Director within a reasonable time upon request. If the Director upon review determines that the final adverse decision may be in conflict with laws or regulations governing common interest communities or interpretations thereof by the Board, the Director shall provide the complainant and the governing board, and if applicable the common interest community manager, of the association with information concerning such laws or regulations governing common interest communities or interpretations thereof by the Board. The determination of whether the final adverse decision may be in conflict with laws or regulations governing common interest communities or interpretations thereof by the Board shall be final and not subject to further review. If within 365 days of issuing a determination that an adverse decision is in conflict with laws or Board regulations governing common interest communities or interpretations thereof by the Board the Director receives a subsequent notice of final adverse decision for the same violation, the Director shall refer the repeat violation to the Board, which shall take action in accordance with § 54.1-2351 or 54.1-2352, as deemed appropriate by the Board.

1993, c. 958, § 55-530; 1997, c. 222; 1998, c. 463; 2001, c. 816; 2008, cc. 851, 871; 2010, cc. 59, 208; 2012, cc. 481, 797; 2019, c. 712; 2023, cc. 20, 21.

§ 54.1-2354.5. Common Interest Community Management Recovery Fund

A. There is hereby created the Common Interest Community Management Recovery Fund, referred to in this section as "the Fund," to be used in the discretion of the Board to protect the interests of associations.

B. Each common interest community manager, at the time of initial application for licensure, and each association filing its first annual report after the effective date shall be assessed \$25, which shall be specifically assigned to the Fund. Initial payments may be incorporated in any application fee payment or annual filing fee and transferred to the Fund by the Director within 30 days.

All assessments, except initial assessments, for the Fund shall be deposited within three business days after their receipt by the Director, in one or more federally insured banks, savings and loan associations, or savings banks located in the Commonwealth. Funds deposited in banks, savings institutions, or savings banks in excess of insurance afforded by the Federal Deposit Insurance Corporation or other federal insurance agency shall be secured under the Virginia Security for Public Deposits Act (§ 2.2-4400 et seq.). The deposit of these funds in federally insured banks, savings and loan associations, or savings banks located in the Commonwealth shall not be

considered investment of such funds for purposes of this section. Funds maintained by the Director may be invested in securities that are legal investments for fiduciaries under the provisions of § 64.2-1502.

Interest earned on the deposits constituting the Fund shall be used for administering the Fund. The remainder of this interest, at the discretion of the Board, may be transferred to the Common Interest Community Management Information Fund, established pursuant to § 54.1-2354.2, or accrue to the Fund.

C. On and after July 1, 2011, the minimum balance of the Fund shall be \$150,000. Whenever the Director determines that the principal balance of the Fund is or will be less than such minimum principal balance, the Director shall immediately inform the Board. At the same time, the Director may recommend that the Board transfer a fixed amount from the Common Interest Community Management Information Fund to the Fund to bring the principal balance of the Fund to the amount required by this subsection. Such transfer shall be considered by the Board within 30 days of the notification of the Director.

D. If any such transfer of funds is insufficient to bring the principal balance of the Fund to the minimum amount required by this section, or if a transfer to the Fund has not occurred, the Board shall assess each association and each common interest community manager, within 30 days of notification by the Director, a sum sufficient to bring the principal balance of the Fund to the required minimum amount. The amount of such assessment shall be allocated among the associations and common interest community managers in proportion to each payor's most recently paid annual assessment, or if an association or common interest community manager has not paid an annual assessment previously, in proportion to the average annual assessment most recently paid by associations or common interest community managers, respectively. The Board may order an assessment at any time in addition to any required assessment. Assessments made pursuant to this subsection may be issued by the Board (i) after a determination made by it or (ii) at the time of license renewal.

Notice to common interest community managers and the governing boards of associations of these assessments shall be by first-class mail, and payment of such assessments shall be made by first-class mail addressed to the Director within 45 days after the mailing of such notice.

E. If any common interest community manager fails to remit the required payment within 45 days of the mailing, the Director shall notify the common interest community manager by first-class mail at the latest address of record filed with the Board. If no payment has been received by the Director within 30 days after mailing the second notice, the license shall be automatically suspended. The license shall be restored only upon the actual receipt by the Director of the delinquent assessment.

F. If any association fails to remit the required payment within 45 days of the mailing, the Director shall notify the association by first-class mail at the latest address of record filed with the Board. If no payment has been received by the Director within 30 days after mailing the second notice, it shall be deemed a knowing and willful violation of this section by the governing board of the association.

G. At the close of each fiscal year, whenever the balance of the Fund exceeds \$5 million, the amount in excess of \$5 million shall be transferred to the Virginia Housing Trust Fund established pursuant to Chapter 9 (§ 36-141 et seq.) of Title 36. Except for payments of costs as

set forth in this article and transfers pursuant to this subsection, there shall be no transfers out of the Fund, including transfers to the general fund, regardless of the balance of the Fund.

H. A claimant may seek recovery from the Fund subject to the following conditions:

1. A claimant may file a verified claim in writing to the Director for a recovery from the Fund.
2. Upon proper application to the Director, in those cases in which there are not sufficient funds to pay an award of reasonable fees, costs, and expenses to the receiver or to restore all funds that were or ought to have been held in a fiduciary capacity by the subject common interest community manager, the Director shall report to the Board the amount of any shortfall to the extent that there are not sufficient funds (i) to pay any award of fees, costs, and expenses pursuant to subsection G of § 54.1-2353 by the court appointing the receiver; or (ii) to restore all funds that were or ought to have been held in a fiduciary capacity by the subject common interest community manager, as certified by the court appointing the receiver.
3. If the Board finds there has been compliance with the required conditions, the Board shall issue a directive ordering payment of the amount of such shortfall to the claimant from the Fund, provided that in no event shall such payment exceed the balance in the Fund. When the Fund balance is not sufficient to pay the aggregate amount of such shortfall, the Board shall direct that payment be applied first in satisfaction of any award of reasonable fees, costs, and expenses to the receiver and second to restore the funds that were or ought to have been held in a fiduciary capacity by the subject common interest community manager. If the Board has reason to believe that there may be additional claims against the Fund, the Board may withhold any payment from the Fund for a period of not more than one year. After such one-year period, if the aggregate of claims received exceeds the Fund balance, the Fund balance shall be prorated by the Board among the claimants and paid in the above payment order from the Fund in proportion to the amounts of claims remaining unpaid.
4. The Director shall, subject to the limitations set forth in this subsection, pay to the claimant from the Fund such amount as shall be directed by the Board upon the execution and delivery to the Director by such claimant of an assignment to the Board of the claimant's rights on its behalf and on behalf of the associations receiving distributions from the Fund against the common interest community manager to the extent that such rights were satisfied from the Fund.
5. The claimant shall be notified in writing of the findings of the Board. The Board's findings shall be considered a case decision as defined in § 2.2-4001, and judicial review of these findings shall be in accordance with § 2.2-4025 of the Administrative Process Act (§ 2.2-4000 et seq.).
6. Notwithstanding any other provision of law, the Board shall have the right to appeal a decision of any court that is contrary to any distribution recommended or authorized by it.
7. Upon payment by the Director to a claimant from the Fund as provided in this subsection, the Board shall immediately revoke the license of the common interest community manager whose actions resulted in payment from the Fund. The common interest community manager whose license was so revoked shall not be eligible to apply for a license as a common interest community manager until he has repaid in full the amount paid from the Fund on his account, plus interest at the judgment rate of interest from the date of payment from the Fund.
8. Nothing contained in this subsection shall limit the authority of the Board to take disciplinary action against any common interest community manager for any violation of statute or

regulation, nor shall the repayment in full by a common interest community manager of the amount paid from the Fund on such common interest community manager's account nullify or modify the effect of any disciplinary proceeding against such common interest community manager for any such violation.

2008, cc. [851](#), [871](#), § 55-530.1; 2009, c. [557](#);2013, c. [754](#);2019, c. [712](#).

*DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.*

COMMONWEALTH OF VIRGINIA
COMMON INTEREST COMMUNITY BOARD



**COMMON INTEREST COMMUNITY
MANAGER REGULATIONS**

Last Updated December 1, 2021

STATUTES

Title 54.1, Chapter 23.3



Department of Professional and Occupational Regulation

9960 Mayland Drive, Suite 400

Richmond, VA 23233

(804) 367-8500

www.dpor.virginia.gov

DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.

SUMMARY OF SIGNIFICANT CHANGES

Included in this document are relevant excerpts from the Virginia Administrative Code. Please note that the Common Interest Community Board is responsible for promulgating regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.), and the Virginia Code Commission is responsible for compiling and codifying all of the administration regulations of state agencies into the Virginia Administrative Code.

It is your responsibility to stay informed and follow all regulations and statutes governing your profession or occupation. As a regulant of the Board, you should read and become familiar with all regulations applicable to your profession or occupation. You can stay informed of regulatory actions that may result in changes to the regulations at Virginia Regulatory Town Hall (www.townhall.virginia.gov).

This document is a complete, edited (unofficial) copy of the Common Interest Community Manager Regulations (18VAC48-50). Please refer to the Virginia Administrative Code for an official copy of the regulations applicable to your profession or occupation. You can access the Virginia Administrative Code online at <https://law.lis.virginia.gov/admincode/>.

The following is a brief summary of the significant changes to the Common Interest Community Manager Regulations effective December 1, 2021.

- The regulations were amended to conform to SB 1406, enacted by the General Assembly during the 2021 Special Session I. Qualifications for licensure as a common interest community manager and certification as a principal or supervisory employee were revised to exclude marijuana-related misdemeanor convictions from convictions that must be disclosed on an application. Standards of conduct and practice were revised to exclude marijuana-related drug distribution misdemeanor convictions from convictions that a regulant must report to the Board.

STATEMENT OF PURPOSE

This booklet contains the information you will need to obtain your common interest community manager license and certification requirements for supervisory and principal employees of common interest community managers. The law that governs your profession is found in **Chapter 23.3 (§ 54.1-2345 et seq.) of Title 54.1 of the Code of Virginia**. That law permits the board to issue regulations that tell you more about what is expected of you in your profession. This booklet contains a copy of the regulations that you will need to know and with which you must comply in order to obtain and retain your license.

BE SURE TO READ AND UNDERSTAND THE STANDARDS OF CONDUCT AND PRACTICE. FAILURE TO COMPLY WITH THESE STANDARDS COULD RESULT IN A MONETARY PENALTY, THE LOSS OF YOUR LICENSE, OR OTHER DISCIPLINARY ACTION.

It is the goal of the Department of Professional and Occupational Regulation to provide the information you need to comply with the law and regulations. If you have a question and cannot find the answer in this booklet, please write to:

Common Interest Community Board
Department of Professional and Occupational Regulation
9960 Mayland Drive
Richmond, VA 23233

Or call the Agency at (804) 367-8500.

Or e-mail at cic@dpor.virginia.gov.

TABLE OF CONTENTS

REGULATIONS:

Part I - General

18VAC48-50-10. Definitions1

Part II - Entry

18VAC48-50-20. Application procedures.....3

18VAC48-50-30. Qualifications for licensure as a
common interest community manager3

18VAC48-50-35. Qualifications for certification as a
certified principal or supervisory employee effective July 1, 20127

18VAC48-50-37. Licensure and certification by reciprocity.....9

18VAC48-50-40. Application denial.....10

Part III - Fees

18VAC48-50-50. General fee requirements.....11

18VAC48-50-60. Fee schedule11

Part IV – Renewal and Reinstatement

18VAC48-50-90. Renewal required.....13

18VAC48-50-100. Expiration and renewal.....13

18VAC48-50-110. Reinstatement of common interest community manager license
and certified principal or supervisory employee certificate required..... 14

18VAC48-50-120. Status of license or certificate during the
period prior to reinstatement.....14

18VAC48-50-130. Board discretion to deny renewal or reinstatement15

Part V – Standards of Conduct and Practice

18VAC48-50-140. Grounds for disciplinary action.....16

18VAC48-50-150. Maintenance of license or certificate.....16

DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.

18VAC48-50-160. Maintenance and management of accounts17

18VAC48-50-170. Change of business entity requires a new license17

18VAC48-50-180. Notice of adverse action17

18VAC48-50-190. Prohibited acts19

18VAC48-50-200. Establishment of code of conduct.....21

18VAC48-50-210. Establishment of internal accounting controls21

18VAC48-50-220. Response to inquiry and provision of records21

Part VI – Training Programs and Examination

18VAC48-50-230. Training programs generally22

18VAC48-50-240. Approval of common interest community manager training programs.....22

18VAC48-50-250. Introductory and comprehensive training program requirements.....23

18VAC48-50-253. Virginia common interest community law and regulation training program requirements23

18VAC48-50-255. Fair housing training program requirements24

18VAC48-50-257. Documentation of training program completion required.....24

18VAC48-50-260. Maintenance of records24

18VAC48-50-270. Reporting of changes.....24

18VAC48-50-280. Withdrawal of approval.....25

18VAC48-50-290. Examinations25

EXCERPTS FROM THE CODE OF VIRGINIA

Chapter 23.3 of Title 54.1 (§§ 55-2345 through 54.1-2354.5)..... 26

*DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.*

Part I

General

18VAC48-50-10. Definitions.

Section [54.1-2345](#) of the Code of Virginia provides definitions of the following terms and phrases as used in this chapter:

"Association"

"Board"

"Common interest community"

"Common interest community manager"

"Declaration"

"Governing board"

"Lot"

"Management services"

The following words, terms, and phrases when used in this chapter shall have the following meanings unless the context clearly indicates otherwise:

"Active status" means the status of a certificated person in the employ of a common interest community manager.

"Address of record" means the mailing address designated by the regulant to receive notices and correspondence from the board. Notice mailed to the address of record by certified mail, return receipt requested, shall be deemed valid notice.

"Applicant" means a common interest community manager that has submitted an application for licensure or an individual who has submitted an application for certification.

"Application" means a completed, board-prescribed form submitted with the appropriate fee and other required documentation.

"Certified principal or supervisory employee" refers to any individual who has principal responsibility for management services provided to a common interest community or who has supervisory responsibility for employees who participate directly in the provision of management services to a common interest community, and who holds a certificate issued by the

board.

"Contact hour" means 50 minutes of instruction.

"Department" means the Virginia Department of Professional and Occupational Regulation.

"Direct supervision" means exercising oversight and direction of, and control over, the work of another.

"Firm" means a sole proprietorship, association, partnership, corporation, limited liability company, limited liability partnership, or any other form of business organization recognized under the laws of the Commonwealth of Virginia and properly registered, as may be required, with the Virginia State Corporation Commission.

"Principal responsibility" means having the primary obligation for the direct provision of management services provided to a common interest community.

"Regulant" means a common interest community manager as defined in [§ 54.1-2345](#) of the Code of Virginia who holds a license issued by the board or an individual who holds a certificate issued by the board.

"Reinstatement" means the process and requirements through which an expired license or certificate can be made valid without the regulant having to apply as a new applicant.

"Renewal" means the process and requirements for periodically approving the continuance of a license or certificate.

"Responsible person" means the employee, officer, manager, owner, or principal of the firm who shall be designated by each firm to ensure compliance with Chapter 23.3 ([§ 54.1-2345](#) et seq.) of Title 54.1 of the Code of Virginia, and all regulations of the board, and to receive communications and notices from the board that may affect the firm. In the case of a sole proprietorship, the sole proprietor shall have the responsibilities of the responsible person.

"Sole proprietor" means any individual, not a corporation or other registered business entity, who is trading under his own name, or under an assumed or fictitious name pursuant to the provisions of Chapter 5 of Title 59.1 ([§ 59.1-69](#) et seq.) of the Code of Virginia.

"Supervisory responsibility" means providing formal supervision of the work of at least one other person. The individual who has supervisory responsibility directs the work of another employee or other employees, has control over the work performed, exercises examination and evaluation of the employee's performance, or has the authority to make decisions personally that affect the management services provided.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; [Volume 35, Issue 19](#), eff. July 1, 2019; [Volume 36, Issue 17](#), eff. June 1, 2020.

Part II

Entry

18VAC48-50-20. Application procedures.

All applicants seeking licensure or certification shall submit an application with the appropriate fee specified in 18VAC48-50-60. Application shall be made on forms provided by the board or its agent.

By submitting the application to the department, the applicant certifies that the applicant has read and understands the applicable statutes and the board's regulations.

The receipt of an application and the deposit of fees by the board does not indicate approval by the board.

The board may make further inquiries and investigations with respect to the applicant's qualifications to confirm or amplify information supplied. All applications shall be completed in accordance with the instructions contained herein and on the application. Applications will not be considered complete until all required documents are received by the board.

An individual or firm will be notified within 30 days of the board's receipt of an initial application if the application is incomplete. An individual or firm that fails to complete the process within 12 months of receipt of the application in the board's office must submit a new application and fee.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

18VAC48-50-30. Qualifications for licensure as a common interest community manager.

- A. Firms that provide common interest community management services shall submit an application on a form prescribed by the board and shall meet the requirements set forth in [§ 54.1-2346](#) of the Code of Virginia, as well as the additional qualifications of this section.
- B. Any firm offering management services as defined in [§ 54.1-2345](#) of the Code of Virginia shall hold a license as a common interest community manager. All names under which the common interest community manager conducts business shall be disclosed on the application. The name under which the firm conducts business and holds itself out to the public (i.e., the trade or fictitious name) shall also be disclosed on the application. Firms shall be organized as business entities under the laws of the Commonwealth of Virginia or otherwise authorized to transact business in Virginia. Firms shall register any trade or fictitious names with the State Corporation Commission in accordance with Chapter 5 of Title 59.1 ([§ 59.1-69](#) et seq.) of the Code of Virginia before submitting an application to the board.

- DRAFT AGENDA
Materials contained in this agenda are proposed for discussion and are not to be construed as a resolution or official Board position.
- C. The applicant for a common interest community manager license shall disclose the firm's mailing address, the firm's physical address, and the address of the office from which the firm provides management services to Virginia common interest communities. A post office box is only acceptable as a mailing address when a physical address is also provided.
 - D. In accordance with [§ 54.1-204](#) of the Code of Virginia, each applicant for a common interest community manager license shall disclose the following information about the firm, the responsible person, and any of the principals of the firm:
 - 1. All felony convictions.
 - 2. All misdemeanor convictions, except marijuana convictions, in any jurisdiction that occurred within three years of the date of application.
 - 3. Any plea of nolo contendere or finding of guilt regardless of adjudication or deferred adjudication shall be considered a conviction for the purposes of this section. The record of conviction certified or authenticated in such form as to be admissible in evidence under the laws of the jurisdiction where convicted shall be admissible as prima facie evidence of such guilt.
 - E. The applicant for a common interest community manager license shall submit evidence of a blanket fidelity bond or employee dishonesty insurance policy in accordance with [§ 54.1-2346 D](#) of the Code of Virginia. Proof of current bond or insurance policy with the firm as the named bondholder or insured must be submitted in order to obtain or renew the license. The bond or insurance policy must be in force no later than the effective date of the license and shall remain in effect through the date of expiration of the license.
 - F. The applicant for a common interest community manager license shall be in compliance with the standards of conduct and practice set forth in Part V (18VAC48-50-140 et. seq.) of this chapter at the time of application, while the application is under review by the board, and at all times when the license is in effect.
 - G. The applicant for a common interest community manager license, the responsible person, and any principals of the firm shall be in good standing in Virginia and in every jurisdiction and with every board or administrative body where licensed, certified, or registered and the board, in its discretion, may deny licensure to any applicant who has been subject to, or whose principals have been subject to, or any firm in which the principals of the applicant for a common interest community manager license hold a 10% or greater interest have been subject to, any form of adverse disciplinary action, including reprimand, revocation, suspension or denial, imposition of a monetary penalty, required to complete

remedial education, or any other corrective action, in any jurisdiction or by any board or administrative body or surrendered a license, certificate, or registration in connection with any disciplinary action in any jurisdiction prior to obtaining licensure in Virginia.

- H. The applicant for a common interest community manager license shall provide all relevant information about the firm, the responsible person, and any of the principals of the firm for the seven years prior to application on any outstanding judgments, past-due tax assessments, defaults on bonds, or pending or past bankruptcies, and specifically shall provide all relevant financial information related to providing management services as defined in [§ 54.1-2345](#) of the Code of Virginia. The applicant for a common interest community manager license shall further disclose whether or not one or more of the principals who individually or collectively own more than a 50% equity interest in the firm are or were equity owners holding, individually or collectively, a 10% or greater interest in any other entity licensed by any agency of the Commonwealth of Virginia that was the subject of any adverse disciplinary action, including revocation of a license, within the seven-year period immediately preceding the date of application.
- I. An applicant for a common interest community manager license shall hold an active designation as an Accredited Association Management Company by the Community Associations Institute.
- J. Prior to July 1, 2012, in lieu of the provisions of subsection I of this section, an application for a common interest community manager license may be approved provided the applicant certifies to the board that the applicant has:
1. At least one supervisory employee, officer, manager, owner, or principal of the firm who is involved in all aspects of the management services offered and provided by the firm and who has satisfied one of the following criteria:
 - a. Holds an active designation as a Professional Community Association Manager by Community Associations Institute;
 - b. Has successfully completed a comprehensive training program as described in 18VAC48-50-250 B, as approved by the board, and has at least three years of experience in providing management services, the quality of which demonstrates to the board that the individual is competent to have supervisory responsibility or principal responsibility for management services;
 - c. Has successfully completed an introductory training program as described in 18VAC48-50-250 A, as approved by the board, and has at least five years of experience in providing management services, the quality of which demonstrates to the board that the individual is competent to have supervisory responsibility or principal responsibility for management services; or

- DRAFT AGENDA
Materials contained in this agenda are for discussion and are not to be construed as a regulation or official Board position.
- d. Has not completed a board-approved training program but who, in the judgment of the board, has obtained the equivalent of such training program by documented course work that meets the requirements of a board-approved comprehensive training program as described in Part VI (18VAC48-50-230 et seq.) of this chapter, and has at least 10 years of experience in providing management services, the quality of which demonstrates to the board that the individual is competent to have supervisory responsibility or principal responsibility for management services.
 - 2. At least 50% of persons in the firm with principal responsibility for management services to a common interest community in the Commonwealth of Virginia have satisfied one of the following criteria:
 - a. Hold an active designation as a Professional Community Association Manager and certify having provided management services for a period of 12 months immediately preceding application;
 - b. Hold an active designation as a Certified Manager of Community Associations by the National Board of Certification for Community Association Managers and certify having two years of experience in providing management services. Of the required two years of experience, a minimum of 12 months of experience must have been gained immediately preceding application;
 - c. Hold an active designation as an Association Management Specialist and certify having two years of experience in providing management services. Of the required two years of experience, a minimum of 12 months of experience must have been gained immediately preceding application; or
 - d. Have completed a comprehensive or introductory training program, as set forth in 18VAC48-50-250 A or B, and passed a certifying examination approved by the board and certify having two years of experience in providing management services. Of the required two years of experience, a minimum of 12 months of experience must have been gained immediately preceding application.
 - K. Effective July 1, 2012, the applicant for a common interest community manager license shall attest that all employees of the firm who have principal responsibility for management services provided to a common interest community or who have supervisory responsibility for employees who participate directly in the provision of management services to a common interest community shall, within two years after employment with the common interest community manager, hold a certificate as a certified principal or supervisory employee issued by the board or shall be under the direct supervision of a certified principal or supervisory employee.
 - L. Effective July 1, 2012, in lieu of the provisions of subsection I of this section, an application for a common interest community manager license may be approved provided

the applicant certifies to the board that the applicant has at least one supervisory employee, officer, manager, owner, or principal of the firm who is involved in all aspects of the management services offered and provided by the firm and who has satisfied one of the following criteria:

1. Holds an active designation as a Professional Community Association Manager by Community Associations Institute;
2. Has successfully completed a comprehensive training program as described in 18VAC48-50-250 B, as approved by the board, and has at least three years of experience in providing management services, the quality of which demonstrates to the board that the individual is competent to have supervisory responsibility or principal responsibility for management services;
3. Has successfully completed an introductory training program as described in 18VAC48-50-250 A, as approved by the board, and has at least five years of experience in providing management services, the quality of which demonstrates to the board that the individual is competent to have supervisory responsibility or principal responsibility for management services; or
4. Has not completed a board-approved training program but who, in the judgment of the board, has obtained the equivalent of such training program by documented course work that meets the requirements of a board-approved comprehensive training program as described in Part VI (18VAC48-50-230 et seq.) of this chapter, and has at least 10 years of experience in providing management services, the quality of which demonstrates to the board that the individual is competent to have supervisory responsibility or principal responsibility for management services.

M. The firm shall designate a responsible person.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; [Volume 36, Issue 17](#), eff. June 1, 2020; [Volume 38, Issue 5](#), eff. December 1, 2021.

18VAC48-50-35. Qualifications for certification as a certified principal or supervisory employee effective July 1, 2012.

- A. Principal or supervisory employees requiring certification pursuant to [§ 54.1-2346](#) of the Code of Virginia shall meet the requirements of this section and submit an application for certification on or after July 1, 2012.
- B. The applicant for certification shall be at least 18 years of age.
- C. The applicant for certification shall have a high school diploma or its equivalent.

- DRAFT AGENDA
Materials contained in this agenda are proposed for discussion in the public hearing for the Board position.
- D. The applicant for certification shall provide a mailing address. A post office box is only acceptable as a mailing address when a physical address is also provided. The mailing address provided shall serve as the address of record.
 - E. In accordance with [§ 54.1-204](#) of the Code of Virginia, each applicant for certification shall disclose the following information:
 - 1. All felony convictions.
 - 2. All misdemeanor convictions, except marijuana convictions, that occurred in any jurisdiction within three years of the date of application.
 - 3. Any plea of nolo contendere or finding of guilt regardless of adjudication or deferred adjudication shall be considered a conviction for the purposes of this section. The record of conviction certified or authenticated in such form as to be admissible in evidence under the laws of the jurisdiction where convicted shall be admissible as prima facie evidence of such guilt.
 - F. The applicant for certification shall be in compliance with the standards of conduct and practice set forth in Part V (18VAC48-50-140 et seq.) of this chapter at the time of application, while the application is under review by the board, and at all times when the certificate is in effect.
 - G. The applicant for certification shall be in good standing in Virginia and in every jurisdiction and with every board or administrative body where licensed, certified, or registered to provide management or related services; and the board, in its discretion, may deny certification to any applicant for certification who has been subject to any form of adverse disciplinary action, including reprimand, revocation, suspension or denial, imposition of a monetary penalty, requirement to complete remedial education, or any other corrective action, in any jurisdiction or by any board or administrative body or surrendered a license, certificate, or registration in connection with any disciplinary action in any jurisdiction prior to obtaining certification in Virginia.
 - H. The applicant for certification shall provide all relevant information for the seven years prior to application on any outstanding judgments, past-due tax assessments, defaults on bonds, or pending or past bankruptcies, all as related to providing management services as defined in [§ 54.1-2345](#) of the Code of Virginia. The applicant for certification shall further disclose whether or not he was the subject of any adverse disciplinary action, including revocation of a license, certificate, or registration within the seven-year period immediately preceding the date of application.
 - I. An applicant for certification may be certified provided the applicant provides proof to the board that the applicant meets one of the following:

- DRAFT AGENDA
Materials contained in this agenda are proposed for discussion and are not to be considered as regulatory or official Board position.
1. Holds an active designation as a Professional Community Association Manager by Community Associations Institute and certifies having provided management services for a period of three months immediately preceding application;
 2. Holds an active designation as a Certified Manager of Community Associations by the National Board of Certification for Community Association Managers and certifies having two years of experience in providing management services. Of the required two years of experience, a minimum of six months of experience must have been gained immediately preceding application;
 3. Holds an active designation as an Association Management Specialist by Community Associations Institute and certifies having two years of experience in providing management services. Of the required two years of experience, a minimum of three months of experience must have been gained immediately preceding application;
or
 4. Has completed an introductory or comprehensive training program as set forth in 18VAC48-50-250 A or B and passed a certifying examination approved by the board and certifies having two years of experience in providing management services. Of the required two years of experience, a minimum of six months of experience must have been gained immediately preceding application.
- J. The applicant for certification shall provide the name of his employing common interest community manager, if applicable.

Historical Notes:

Derived from Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; amended, Virginia Register [Volume 38, Issue 5](#), eff. December 1, 2021.

18VAC48-50-37. Licensure and certification by reciprocity.

- A. The board may waive the requirements of 18VAC48-50-30 I, J, and L and issue a license as a common interest community manager to an applicant who holds an active, current license, certificate, or registration in another state, the District of Columbia, or any other territory or possession of the United States provided the requirements and standards under which the license, certificate, or registration was issued are substantially equivalent to those established in this chapter and related statutes.
- B. Effective July 1, 2012, the board may waive the requirements of 18VAC48-50-35 I and issue a certificate as a certified employee to an applicant who holds an active, current license, certificate, or registration in another state, the District of Columbia, or any other territory or possession of the United States provided the requirements and standards under which the license, certificate, or registration was issued are substantially equivalent to those established in this chapter and related statutes.

Historical Notes:

Derived from Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

18VAC48-50-40. Application denial.

The board may refuse initial licensure or certification due to an applicant's failure to comply with entry requirements or for any of the reasons for which the board may discipline a regulant.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.

Part III

Fees

18VAC48-50-50. General fee requirements.

All fees are nonrefundable and shall not be prorated. The date on which the fee is received by the department or its agent will determine whether the fee is on time. Checks or money orders shall be made payable to the Treasurer of Virginia.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010.

18VAC48-50-60. Fee schedule.

Fee Type	Fee Amount		Recovery Fund Fee* (if applicable)	Total Amount Due	When Due
Initial Common Interest Community Manager Application	\$100	+	25	\$125	With application
Common Interest Community Manager Renewal	\$100			\$100	With renewal application
Common Interest Community Manager Reinstatement (includes a \$200 reinstatement fee in addition to the regular \$100 renewal fee)	\$300			\$300	With renewal application
Certified Principal or Supervisory Employee Initial Application	\$75			\$75	With application
Certified Principal or Supervisory Employee Renewal	\$75			\$75	With renewal application
Certified Principal or Supervisory Employee	\$150			\$150	With renewal application

Reinstatement (includes a \$75 reinstatement fee in addition to the regular \$75 renewal fee)					
Training Program Provider Initial Application	\$100			\$100	With application
Training Program Provider Additional Program	\$50			\$50	With application

*In accordance with [§ 54.1-2354.5](#) of the Code of Virginia.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; [Volume 35, Issue 19](#), eff. July 1, 2019; [Volume 36, Issue 3](#), eff. November 1, 2019.

18VAC48-50-70. (Repealed).

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; repealed, Virginia Register [Volume 35, Issue 19](#), eff. July 1, 2019.

18VAC48-50-80. (Repealed).

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; [Volume 35, Issue 19](#), eff. July 1, 2019; repealed, Virginia Register [Volume 36, Issue 3](#), eff. November 1, 2019.

DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.

Part IV

Renewal and Reinstatement

18VAC48-50-90. Renewal required.

A license issued under this chapter shall expire one year from the last day of the month in which it was issued. A certificate issued under this chapter shall expire two years from the last day of the month in which it was issued. A fee shall be required for renewal.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; [Volume 36, Issue 3](#), eff. November 1, 2019.

18VAC48-50-100. Expiration and renewal.

- A. Prior to the expiration date shown on the license, licenses shall be renewed upon (i) completion of the renewal application, (ii) submittal of proof of current bond or insurance policy as detailed in 18VAC48-50-30 E, and (iii) payment of the fees specified in 18VAC48-50-60.
- B. Prior to the expiration date shown on the certificate, certificates shall be renewed upon (i) completion of the renewal application; (ii) submittal of proof of completion of two hours of fair housing training as it relates to the management of common interest communities and two hours of Virginia common interest community law and regulation training, both as approved by the board and completed within the two-year certificate period immediately prior to the expiration date of the certificate; and (iii) payment of the fees specified in 18VAC48-50-60.
- C. The board will mail a renewal notice to the regulant at the last known mailing address of record. Failure to receive this notice shall not relieve the regulant of the obligation to renew. If the regulant fails to receive the renewal notice, a copy of the license or certificate may be submitted with the required fees as an application for renewal. By submitting an application for renewal, the regulant is certifying continued compliance with the Standards of Conduct and Practice in Part V (18VAC48-50-140 et seq.) of this chapter.
- D. Applicants for renewal shall continue to meet all of the qualifications for licensure and certification set forth in Part II (18VAC48-50-20 et seq.) of this chapter.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; [Volume 35, Issue 19](#), eff. July 1, 2019.

18VAC48-50-110. Reinstatement of common interest community manager license and certified principal or supervisory employee certificate required.

- A. If all of the requirements for renewal of a license as specified in 18VAC48-50-100 A are not completed within 30 days of the license expiration date, the licensee shall be required to reinstate the license by meeting all renewal requirements and by paying the reinstatement fee specified in 18VAC48-50-60.
- B. If all of the requirements for renewal of a certificate as specified in 18VAC48-50-100 B are not completed within 30 days of the certificate expiration date, the certificateholder shall be required to reinstate the certificate by meeting all renewal requirements and by paying the reinstatement fee specified in 18VAC48-50-60.
- C. A license or certificate may be reinstated for up to six months following the expiration date. After six months, the license or certificate may not be reinstated under any circumstances and the firm or individual must meet all current entry requirements and apply as a new applicant.
- D. Any regulated activity conducted subsequent to the license expiration date may constitute unlicensed activity and be subject to prosecution under Chapter 1 ([§ 54.1-100](#) et seq.) of Title 54.1 of the Code of Virginia.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

18VAC48-50-120. Status of license or certificate during the period prior to reinstatement.

A regulant who applies for reinstatement of a license or certificate shall be subject to all laws and regulations as if the regulant had been continuously licensed or certified. The regulant shall remain under and be subject to the disciplinary authority of the board during this entire period.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

18VAC48-50-130. Board discretion to deny renewal or reinstatement.

The board may deny renewal or reinstatement of a license or certificate for the same reasons as the board may refuse initial licensure or certification, or discipline a regulant.

The board may deny renewal or reinstatement of a license or certificate if the regulant has been subject to a disciplinary proceeding and has not met the terms of an agreement for licensure or certification, has not satisfied all sanctions, or has not fully paid any monetary penalties and costs imposed by the board.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

DRAFT AGENCY
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.

Part V

Standards of Conduct and Practice

18VAC48-50-140. Grounds for disciplinary action.

The board may place a regulant on probation, impose a monetary penalty in accordance with [§ 54.1-202 A](#) of the Code of Virginia, or revoke, suspend or refuse to renew any license or certificate when the regulant has been found to have violated or cooperated with others in violating any provisions of the regulations of the board or Chapter 23.3 ([§ 54.1-2345](#) et seq.) of Title 54.1 of the Code of Virginia.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

18VAC48-50-150. Maintenance of license or certificate.

- A. No license or certificate issued by the board shall be assigned or otherwise transferred.
- B. A regulant shall report, in writing, all changes of address to the board within 30 days of the change and shall return the license or certificate to the board. In addition to the address of record, a physical address is required for each license or certificate. If the regulant holds more than one license, certificate, or registration, the regulant shall inform the board of all licenses, certificates, and registrations affected by the address change.
- C. Any change in any of the qualifications for licensure or certification found in 18VAC48-50-30 or 18VAC48-50-35 shall be reported to the board within 30 days of the change.
- D. Notwithstanding the provisions of subsection C of this section, a licensee shall report the cancellation, amendment, expiration, or any other change of any bond or insurance policy submitted in accordance with 18VAC48-50-30 E within five days of the change.
- E. A licensee shall report to the board the discharge or termination of active status of an employee holding a certificate within 30 days of the discharge or termination of active status.
- F. A certified principal or supervisory employee shall report a change in employing common interest community manager within 30 days of the change.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

18VAC48-50-160. Maintenance and management of accounts.

Licensed firms shall maintain all funds from associations in accordance with [§ 54.1-2353 A](#) of the Code of Virginia. Funds that belong to others that are held as a result of the fiduciary relationship shall be labeled as such to clearly distinguish funds that belong to others from those funds of the common interest community manager.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

18VAC48-50-170. Change of business entity requires a new license.

- A. Licenses are issued to firms as defined in this chapter and are not transferable. Whenever the legal business entity holding the license is dissolved or altered to form a new business entity, the license becomes void and shall be returned to the board within 30 days of the change. Such changes include but are not limited to:
1. Cessation of the business or the voluntary termination of a sole proprietorship or general partnership;
 2. Death of a sole proprietor;
 3. Formation, reformation, or dissolution of a general partnership, limited partnership, corporation, limited liability company, association, or any other business entity recognized under the laws of the Commonwealth of Virginia; or
 4. The suspension or termination of the corporation's existence by the State Corporation Commission.
- B. When a new firm is formed, the new firm shall apply for a new license on a form provided by the board before engaging in any activity regulated by Chapter 23.3 ([§ 54.1-2345](#) et seq.) of Title 54.1 of the Code of Virginia or the regulations of the board.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010.

18VAC48-50-180. Notice of adverse action.

- A. Licensed firms shall notify the board of the following actions against the firm, the responsible person, and any principals of the firm:

- DRAFT AGENDA
Materials contained in this agenda are proposed for discussion and are not to be considered as final until or official Board position.
1. Any disciplinary action taken by any jurisdiction, board, or administrative body of competent jurisdiction, including any reprimand, license or certificate revocation, suspension or denial, monetary penalty, or requirement for remedial education or other corrective action.
 2. Any voluntary surrendering of a license, certificate, or registration done in connection with a disciplinary action in another jurisdiction.
 3. Any conviction, finding of guilt, or plea of guilty, regardless of adjudication or deferred adjudication, in any jurisdiction of the United States of any misdemeanor involving moral turpitude, sexual offense, non-marijuana drug distribution, or physical injury, or any felony, there being no appeal pending therefrom or the time for appeal having lapsed. Review of convictions shall be subject to the requirements of [§ 54.1-204](#) of the Code of Virginia. Any plea of nolo contendere shall be considered a conviction for the purpose of this section.
- B. Certified principal or supervisory employees shall notify the board, and the responsible person of the employing firm, if applicable, of the following actions against the certified principal or supervisory employee:
1. Any disciplinary action taken by any jurisdiction, board, or administrative body of competent jurisdiction, including any reprimand, license or certificate revocation, suspension or denial, monetary penalty, requirement for remedial education, or other corrective action.
 2. Any voluntary surrendering of a license, certificate, or registration done in connection with a disciplinary action in another jurisdiction.
 3. Any conviction, finding of guilt, or plea of guilty, regardless of adjudication or deferred adjudication, in any jurisdiction of the United States of any misdemeanor involving moral turpitude, sexual offense, non-marijuana drug distribution, or physical injury, or any felony, there being no appeal pending therefrom or the time for appeal having lapsed. Review of convictions shall be subject to the requirements of [§ 54.1-204](#) of the Code of Virginia. Any plea of nolo contendere shall be considered a conviction for the purpose of this section.

The notice must be made to the board in writing within 30 days of the action. A copy of the order or other supporting documentation must accompany the notice. The record of conviction, finding, or case decision shall be considered prima facie evidence of a conviction or finding of guilt.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; [Volume 38, Issue 5](#), eff. December 1, 2021.

18VAC48-50-190. Prohibited acts.

The following acts are prohibited and any violation may result in disciplinary action by the board:

1. Violating, inducing another to violate, or cooperating with others in violating any of the provisions of any of the regulations of the board; Chapter 23.3 ([§ 54.1-2345](#) et seq.) of Title 54.1 of the Code of Virginia; or Chapter 18 ([§ 55.1-1800](#) et seq.) of Title 55.1 of the Code of Virginia, Chapter 19 ([§ 55.1-1900](#) et seq.) of the Code of Virginia, or Chapter 21 ([§ 55.1-2100](#) et seq.) of the Code of Virginia, or engaging in any acts enumerated in §§ [54.1-102](#) and [54.1-111](#) of the Code of Virginia.
2. Allowing a license or certificate issued by the board to be used by another.
3. Obtaining or attempting to obtain a license or certificate by false or fraudulent representation, or maintaining, renewing, or reinstating a license or certificate by false or fraudulent representation.
4. A regulant having been convicted, found guilty, or disciplined in any jurisdiction of any offense or violation enumerated in 18VAC48-50-180.
5. Failing to inform the board in writing within 30 days that the regulant was convicted, found guilty, or disciplined in any jurisdiction of any offense or violation enumerated in 18VAC48-50-180.
6. Failing to report a change as required by 18VAC48-50-150 or 18VAC48-50-170.
7. The intentional and unjustified failure to comply with the terms of the management contract, operating agreement, or association governing documents.
8. Engaging in dishonest or fraudulent conduct in providing management services.
9. Failing to satisfy any judgments or restitution orders entered by a court or arbiter of competent jurisdiction.
10. Egregious or repeated violations of generally accepted standards for the provision of management services.
11. Failing to handle association funds in accordance with the provisions of [§ 54.1-2353 A](#) of the Code of Virginia or 18VAC48-50-160.

- DRAFT AGENDA
Materials contained in this agenda are provided for discussion and are not to be construed as regulatory or official Board position.
12. Failing to account in a timely manner for all money and property received by the regulant in which the association has or may have an interest.
 13. Failing to disclose to the association material facts related to the association's property or concerning management services of which the regulant has actual knowledge.
 14. Failing to provide complete records related to the association's management services to the association within 30 days of any written request by the association or within 30 days of the termination of the contract unless otherwise agreed to in writing by both the association and the common interest community manager.
 15. Failing upon written request of the association to provide books and records such that the association can perform pursuant to §§ [55.1-1815](#) (Property Owners' Association Act), [55.1-1945](#) (Virginia Condominium Act), and [55.1-2151](#) (Virginia Real Estate Cooperative Act), of the Code of Virginia.
 16. Commingling the funds of any association by a principal, his employees, or his associates with the principal's own funds or those of his firm.
 17. Failing to act in providing management services in a manner that safeguards the interests of the public.
 18. Advertising in any name other than the name in which licensed.
 19. Failing to make use of a legible, written contract clearly specifying the terms and conditions of the management services to be performed by the common interest community manager. The contract shall include the following:
 - a. Beginning and ending dates of the contract;
 - b. Cancellation rights of the parties;
 - c. Record retention and distribution policy;
 - d. A general description of the records to be kept and the bookkeeping system to be used; and
 - e. The common interest community manager's license number.
 20. Performing management services or accepting payments prior to the signing of the contract by an authorized official of the licensed firm and the client or the client's authorized agent.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; [Volume 36, Issue 3](#), eff. November 1, 2019.

18VAC48-50-200. Establishment of code of conduct.

The firm shall establish and distribute to the firm’s employees, principals, and agents a written code of conduct to address business practices including the appropriateness of giving and accepting gifts, bonuses, or other remuneration to and from common interest communities or providers of services to common interest communities. In accordance with clause (ii) of [§ 54.1-2346 E](#) of the Code of Virginia, the code of conduct for officers, directors, and employees shall also address disclosure of relationships with other firms that provide services to common interest communities and that may give rise to a conflict of interest.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010.

18VAC48-50-210. Establishment of internal accounting controls.

The firm shall establish written internal accounting controls to provide adequate checks and balances over the financial activities and to manage the risk of fraud and illegal acts. The internal accounting controls shall be in accordance with generally accepted accounting practices.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010.

18VAC48-50-220. Response to inquiry and provision of records.

- A. A regulant must respond within 10 days to a request by the board or any of its agents regarding any complaint filed with the department.
- B. Unless otherwise specified by the board, a regulant of the board shall produce to the board or any of its agents within 10 days of the request any document, book, or record concerning any transaction pertaining to a complaint filed in which the regulant was involved, or for which the regulant is required to maintain records for inspection and copying by the board or its agents. The board may extend such time frame upon a showing of extenuating circumstances prohibiting delivery within such 10-day period.
- C. A regulant shall not provide a false, misleading, or incomplete response to the board or any of its agents seeking information in the investigation of a complaint filed with the board.
- D. With the exception of the requirements of subsections A and B of this section, a regulant must respond to an inquiry by the board or its agent within 21 days.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

Part VI

Training Programs and Examination

18VAC48-50-230. Training programs generally.

All training programs proposed for the purposes of meeting the requirements of this chapter must be approved by the board. Any or all of the approved training programs can be met using distance or online education technology. Training programs may be approved retroactively; however, no applicant will receive credit for the training program until such approval is granted by the board.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010.

18VAC48-50-240. Approval of common interest community manager training programs.

Each provider of a training program shall submit an application for program approval on a form provided by the board. In addition to the appropriate fee provided in 18VAC48-50-60, the application shall include but is not limited to:

1. The name of the provider;
2. Provider contact person, address, and telephone number;
3. Program contact hours;
4. Schedule of training program, if established, including dates, times, and locations;
5. Instructor information, including name, license or certificate number(s), if applicable, and a list of trade-appropriate designations, as well as a professional resume with a summary of teaching experience and subject-matter knowledge and qualifications acceptable to the board;
6. A summary of qualifications and experience in providing training under this chapter;
7. Training program and material fees; and
8. Training program syllabus.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

18VAC48-50-250. Introductory and comprehensive training program requirements.

- A. In order to qualify as an introductory training program under 18VAC48-50-30 or 18VAC48-50-35, the introductory training program must include a minimum of 16 contact hours and the syllabus shall encompass all of the subject areas set forth in subsection C of this section.
- B. In order to qualify as a comprehensive training program under 18VAC48-50-30 or 18VAC48-50-35, the comprehensive training program must include a minimum of 80 contact hours and the syllabus shall include at least 40 contact hours encompassing all of the subject areas set forth in subsection C of this section and may also include up to 40 contact hours in other subject areas approved by the board.
- C. The following subject areas as they relate to common interest communities and associations shall be included in all comprehensive and introductory training programs. The time allocated to each subject area must be sufficient to ensure adequate coverage of the subject as determined by the board.
 - 1. Governance, legal matters, and communications;
 - 2. Financial matters, including budgets, reserves, investments, internal controls, and assessments;
 - 3. Contracting;
 - 4. Risk management and insurance;
 - 5. Management ethics for common interest community managers;
 - 6. Facilities maintenance; and
 - 7. Human resources.
- D. All training programs are required to have a final, written examination.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

18VAC48-50-253. Virginia common interest community law and regulation training program requirements.

In order to qualify as a Virginia common interest community law and regulation training program for renewal of certificates issued by the board, the common interest community law and regulation program must include a minimum of two contact hours and the syllabus shall encompass updates to Virginia laws and regulations directly related to common interest

communities.

Historical Notes:

Derived from Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; amended, Virginia Register [Volume 33, Issue 20](#), eff. July 1, 2017.

18VAC48-50-255. Fair housing training program requirements.

In order to qualify as a fair housing training program for renewal of certificates issued by the board, the fair housing training program must include a minimum of two contact hours and the syllabus shall encompass Virginia fair housing laws and any updates related to common interest communities.

Historical Notes:

Derived from Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012; amended, Virginia Register [Volume 33, Issue 20](#), eff. July 1, 2017.

18VAC48-50-257. Documentation of training program completion required.

All training program providers must provide each student with a certificate of training program completion or other documentation that the student may use as proof of training program completion. Such documentation shall contain the contact hours completed.

Historical Notes:

Derived from Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

18VAC48-50-260. Maintenance of records.

All providers must establish and maintain a record for each student. The record shall include the student's name and address, the training program name and hours attended, the training program syllabus or outline, the name or names of the instructors, the date of successful completion, and the board's approved training program code. Records shall be available for inspection during normal business hours by authorized representatives of the board. Providers must maintain these records for a minimum of five years.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010.

18VAC48-50-270. Reporting of changes.

Any change in the information provided in 18 VAC 48-50-240 must be reported to the board within 30 days of the change with the exception of changes in the schedule of training program offerings, which must be reported within 10 days of the change. Any change in information submitted will be reviewed to ensure compliance with the provisions of this chapter.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010.

18VAC48-50-280. Withdrawal of approval.

The board may withdraw approval of any training program for the following reasons:

1. The training program being offered no longer meets the standards established by the board.
2. The provider, through an agent or otherwise, advertises its services in a fraudulent or deceptive way.
3. The provider, instructor, or designee of the provider falsifies any information relating to the application for approval, training program information, or student records or fails to produce records required by 18 VAC 48-50-260.
4. A change in the information provided that results in noncompliance with 18 VAC 48-50-240, except for subdivision 4 of 18 VAC 48-50-240.
5. Failure to comply with 18 VAC 48-50-270.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010.

18VAC48-50-290. Examinations.

All examinations required for licensure or certification shall be approved by the board and administered by the board, a testing service acting on behalf of the board, or another governmental agency or organization.

Historical Notes:

Derived from Virginia Register [Volume 26, Issue 11](#), eff. April 1, 2010; amended, Virginia Register [Volume 28, Issue 11](#), eff. March 1, 2012.

NOTICE

Included in this booklet are relevant excerpts from the Code of Virginia. Please note that the Virginia General Assembly is responsible for creating and amending the Code, not the Common Interest Community Board. The version contained herein contains all changes, if any, that have been made by the General Assembly through the 2021 session. Any changes made during the 2021 session became effective on July 1, 2021, unless otherwise noted. It is your responsibility to stay informed of revisions to the regulations and the statutes governing Virginia common interest communities. Please consult the General Assembly or your local library for annual changes.

You can access the Code of Virginia online at <http://law.lis.virginia.gov/vacode>

Code of Virginia

Title 54.1, Chapter 23.3

Article 1. Common Interest Community Board

§ 54.1-2345. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Association" includes condominium, cooperative, or property owners' associations.

"Board" means the Common Interest Community Board.

"Common interest community" means real estate subject to a declaration containing lots, at least some of which are residential or occupied for recreational purposes, and common areas to which a person, by virtue of the person's ownership of a lot subject to that declaration, is a member of the association and is obligated to pay assessments of common expenses, provided that for the purposes of this chapter only, a common interest community does not include any time-share project registered pursuant to the Virginia Real Estate Time-Share Act (§ [55.1-2200](#) et seq.) or any additional land that is a part of such registration. "Common interest community" does not include an arrangement described in § [54.1-2345.1](#).

"Common interest community manager" means a person or business entity, including a partnership, association, corporation, or limited liability company, that, for compensation or valuable consideration, provides management services to a common interest community.

"Declaration" means any instrument, however denominated, recorded among the land records of the county or city in which the development or any part thereof is located, that either (i) imposes on the association maintenance or operational responsibilities for the common area as a regular annual assessment or (ii) creates the authority in the association to impose on lots, or on the owners or occupants of such lots, or on any other entity any mandatory payment of money as a regular annual assessment in connection with the provision of maintenance or services or both for the benefit of some or all of the lots, the owners or occupants of the lots, or the common area. "Declaration" includes any amendment or supplement to the instruments described in this definition.

"Governing board" means the governing board of an association, including the executive organ of a condominium unit owners' association, the executive board of a cooperative proprietary lessees' association, and the board of directors or other governing body of a property owners' association.

"Lot" means (i) any plot or parcel of land designated for separate ownership or occupancy shown on a recorded subdivision plat for a development or the boundaries of which are described in the declaration or in a recorded instrument referred to or expressly contemplated by the declaration, other than a common area, and (ii) a unit in a condominium association or a unit in a real estate cooperative.

"Management services" means (i) acting with the authority of an association in its business, legal, financial, or other transactions with association members and nonmembers; (ii) executing the resolutions and decisions of an association or, with the authority of the association, enforcing the rights of the association secured by statute, contract, covenant, rule, or bylaw; (iii) collecting, disbursing, or otherwise exercising dominion or control over money or other property belonging to an association; (iv) preparing budgets, financial statements, or other financial reports for an association; (v) arranging, conducting, or coordinating meetings of an association or the governing body of an association; (vi) negotiating contracts or otherwise coordinating or arranging for services or the purchase of property and goods for or on behalf of an association; or (vii) offering or soliciting to perform any of the aforesaid acts or services on behalf of an association.

2008, cc. [851](#), [871](#); 2019, c. [712](#); 2020, c. [592](#).

§ 54.1-2345.1. Certain real estate arrangements and covenants not deemed to constitute a common interest community.

A. An arrangement between the associations for two or more common interest communities to share the costs of real estate taxes, insurance premiums, services, maintenance, or improvements of real estate, or other activities specified in their arrangement or declarations does not create a separate common interest community, or an arrangement between an association and the owner of real estate that is not part of a common interest community to share the costs of real estate taxes, insurance premiums, services, maintenance, or improvements of real estate, or other activities specified in their arrangement does not create a separate common interest community. Assessments against the lots in the common interest community required by such arrangement shall be included in the periodic budget for the common interest community, and the arrangement shall be disclosed in all required public offering statements and disclosure packets.

B. A covenant requiring the owners of separately owned parcels of real estate to share costs or other obligations associated with a party wall, driveway, well, or other similar use does not create a common interest community unless the owners otherwise agree to create such community.

2019, c. [712](#).

§ 54.1-2346. License required; certification of employees; renewal; provisional license.

A. Unless exempted by § [54.1-2347](#), any person, partnership, corporation, or other entity offering management services to a common interest community on or after January 1, 2009, shall hold a valid license issued in accordance with the provisions of this article prior to engaging in such management services.

B. Unless exempted by § [54.1-2347](#), any person, partnership, corporation, or other entity offering management services to a common interest community without being licensed in accordance with the provisions of this article shall be subject to the provisions of § [54.1-111](#).

C. On or after July 1, 2012, it shall be a condition of the issuance or renewal of the license of a common interest community manager that all employees of the common interest community manager who have principal responsibility for management services provided to a common interest community or who have supervisory responsibility for employees who participate directly in the provision of management services to a common interest community shall, within two years after employment with the common interest community manager, hold a certificate issued by the Board certifying the person possesses the character and minimum skills to engage properly in the provision of management services to a common interest community or shall be under the direct supervision of a certified employee of such common interest community manager. A common interest community manager shall notify the Board if a certificated employee is discharged or in any way terminates his active status with the common interest community manager.

D. It shall be a condition of the issuance or renewal of the license of a common interest community manager that the common interest community manager shall obtain and maintain a blanket fidelity bond or employee dishonesty insurance policy insuring the common interest community manager against losses resulting from theft or dishonesty committed by the officers, directors, and persons employed by the common interest community manager. Such bond or insurance policy shall include coverage for losses of clients of the common interest community manager resulting from theft or dishonesty committed by the officers, directors, and persons employed by the common interest community manager. Such bond or insurance policy shall provide coverage in an amount equal to the lesser of \$2 million or the highest aggregate amount of the operating and reserve balances of all associations under the control of the common interest community manager during the prior fiscal year. The minimum coverage amount shall be \$10,000.

E. It shall be a condition of the issuance or renewal of the license of a common interest community manager that the common interest community manager certifies to the Board (i) that the common interest community manager is in good standing and authorized to transact business in Virginia; (ii) that the common interest community manager has established a code of conduct for the officers, directors, and persons employed by the common interest community manager to protect against conflicts of interest; (iii) that the common interest community manager provides all management services pursuant to written contracts with the associations to which such services are provided; (iv) that the common interest community manager has established a system of internal accounting controls to manage the risk of fraud or illegal acts; and (v) that an independent certified public accountant reviews or audits the financial statements of the common interest community manager at least annually in accordance with standards established by the American Institute of Certified Public Accountants or by any successor standard-setting authorities.

2008, cc. [851](#), [871](#); 2011, cc. [334](#), [605](#); 2019, c. [712](#).

§ 54.1-2347. Exceptions and exemptions generally.

A. The provisions of this article shall not be construed to prevent or prohibit:

1. An employee of a duly licensed common interest community manager from providing management services within the scope of the employee's employment by the duly licensed common interest community manager;
2. An employee of an association from providing management services for that association's common interest community;
3. A resident of a common interest community acting without compensation from providing management services for that common interest community;
4. A resident of a common interest community from providing bookkeeping, billing, or recordkeeping services for that common interest community for compensation, provided the blanket fidelity bond or employee dishonesty insurance policy maintained by the association insures the association against losses resulting from theft or dishonesty committed by such person;
5. A member of the governing board of an association acting without compensation from providing management services for that association's common interest community;
6. A person acting as a receiver or trustee in bankruptcy in the performance of his duties as such or any person acting under order of any court from providing management services for a common interest community;
7. A duly licensed attorney-at-law from representing an association or a common interest community manager in any business that constitutes the practice of law;
8. A duly licensed certified public accountant from providing bookkeeping or accounting services to an association or a common interest community manager;
9. A duly licensed real estate broker or agent from selling, leasing, renting, or managing lots within a common interest community; or
10. An association, exchange agent, exchange company, managing agent, or managing entity of a time-share project registered pursuant to the Virginia Real Estate Time-Share Act (§ [55.1-2200](#) et seq.) from providing management services for such time-share project.

B. A licensee of the Board shall comply with the Board's regulations, notwithstanding the fact that the licensee would be otherwise exempt from licensure under subsection A. Nothing in this subsection shall be construed to require a person to be licensed in accordance with this article if he would be otherwise exempt from such licensure.

2008, cc. [851](#), [871](#); 2010, c. [511](#); 2011, cc. [334](#), [605](#); 2019, c. [712](#).

§ 54.1-2348. Common Interest Community Board; membership; meetings; quorum.

There is hereby created the Common Interest Community Board (the Board) as a policy board, within the meaning of § [2.2-2100](#), in the executive branch of state government. Members of the Board shall be appointed by the Governor and consist of 11 members as follows: three shall be representatives of Virginia common interest community managers, one shall be a Virginia attorney whose practice includes the representation of associations, one shall be a representative of a Virginia certified public accountant whose practice includes providing attest services to associations, one shall be a representative of the Virginia time-share industry, two shall be representatives of developers of Virginia common interest communities, and three shall be Virginia citizens, one of whom serves or who has served on the governing board of an association that is not professionally managed at the time of appointment and two of whom reside in a common interest community. Of the initial appointments, one representative of Virginia common interest community managers and one representative of developers of Virginia common interest communities shall serve terms of two years and one representative of Virginia common interest community managers and one representative of developers of Virginia common interest communities shall serve terms of three years; the Virginia attorney shall serve a term of three years; the Virginia certified public accountant shall serve a term of one year; the Virginia citizen who serves or who has served on the governing board of an association shall serve a term of two years, and the two Virginia citizens who reside in a common interest community shall serve terms of one year. All other initial appointments and all subsequent appointments shall be for terms for four years, except that vacancies may be filled for the remainder of the unexpired term. Each appointment of a representative of a Virginia common interest community manager to the Board may be made from nominations submitted by the Virginia Association of Community Managers, who may nominate no more than three persons for each manager vacancy. In no case shall the Governor be bound to make any appointment from such nominees. No person shall be eligible to serve for more than two successive four-year terms.

The Board shall meet at least once each year and at other such times as it deems necessary. The Board shall elect from its membership a chairman and a vice-chairman to serve for a period of one year. A majority of the Board shall constitute a quorum. The Board is vested with the powers and duties necessary to execute the purposes of this article.

2008, cc. [851](#), [871](#); 2010, c. [511](#); 2012, c. [522](#); 2019, c. [712](#).

§ 54.1-2349. Powers and duties of the Board.

A. The Board shall administer and enforce the provisions of this article. In addition to the provisions of §§ [54.1-201](#) and [54.1-202](#), the Board shall:

1. Promulgate regulations necessary to carry out the requirements of this article in accordance with the provisions of the Administrative Process Act (§ [2.2-4000](#) et seq.), including the prescription of fees, procedures, and qualifications for the issuance and renewal of common interest community manager licenses. Upon application for license and each renewal thereof, the applicant shall pay a fee established by the Board, which shall be placed to the credit of the Common Interest Community Management Information Fund established pursuant to § [54.1-2354.2](#);

2. Establish criteria for the licensure of common interest community managers to ensure the appropriate training and educational credentials for the provision of management services to common interest communities. Such criteria may include experiential requirements and shall include designation as an Accredited Association Management Company by the Community Associations Institute. As an additional alternative to such designation, the Board shall have authority, by regulation, to include one of the following: (i) successful completion of another Board-approved training program and certifying examination or (ii) successful completion of a Virginia testing program to determine the quality of the training and educational credentials for and competence of common interest community managers;

3. Establish criteria for the certification of the employees of common interest community managers who have principal responsibility for management services provided to a common interest community or who have supervisory responsibility for employees who participate directly in the provision of management services to a common interest community to ensure the person possesses the character and minimum skills to engage properly in the provision of management services to a common interest community. Such criteria shall include designation as a Certified Manager of Community Associations by the Community Association Managers International Certification Board, designation as an Association Management Specialist by the Community Associations Institute, or designation as a Professional Community Association Manager by the Community Associations Institute. As an additional alternative to such designations, the Board shall have authority, by regulation, to include one of the following: (i) successful completion of another Board-approved training program as developed by the Virginia Association of Realtors or other organization, and certifying examination, or (ii) successful completion of a Virginia testing program to determine the quality of the training and educational credentials for and competence of the employees of common interest community managers who participate directly in the provision of management services to a common interest community. The fee paid to the Board for the issuance of such certificate shall be paid to the Common Interest Community Management Information Fund established pursuant to § [54.1-2354.2](#);

4. Approve the criteria for accredited common interest community manager training programs;

5. Approve accredited common interest community manager training programs;

6. Establish, by regulation, standards of conduct for common interest community managers and for employees of common interest community managers certified in accordance with the provisions of this article;

7. Establish, by regulation, an education-based certification program for persons who are involved in the business or activity of providing management services for compensation to common interest communities. The Board shall have the authority to approve training courses and instructors in furtherance of the provisions of this article;

8. Issue a certificate of registration to each association that has properly filed in accordance with this chapter; and

9. Develop and publish best practices for the content of declarations consistent with the requirements of the Property Owners' Association Act (§ [55.1-1800](#) et seq.).

B. 1. The Board shall have the sole responsibility for the administration of this article and for the promulgation of regulations to carry out the requirements thereof.

2. The Board shall also be responsible for the enforcement of this article, provided that the Real Estate Board shall have the sole responsibility for the enforcement of this article with respect to a real estate broker, real estate salesperson, or real estate brokerage firm licensed in accordance with Chapter 21 (§ [54.1-2100](#) et seq.) who is also licensed as a common interest community manager.

3. For purposes of enforcement of this article or the Property Owners' Association Act (§ [55.1-1800](#) et seq.), the Virginia Condominium Act (§ [55.1-1900](#) et seq.), the Virginia Real Estate Cooperative Act (§ [55.1-2100](#) et seq.), or the Virginia Real Estate Time-Share Act (§ [55.1-2200](#) et seq.), any requirement for the conduct of a hearing shall be satisfied by an informal fact-finding proceeding convened and conducted pursuant to § [2.2-4019](#) of the Administrative Process Act (§ [2.2-4000](#) et seq.).

C. The Board is authorized to obtain criminal history record information from any state or federal law-enforcement agency relating to an applicant for licensure or certification. Any information so obtained is for the exclusive use of the Board and shall not be released to any other person or agency except in furtherance of the investigation of the applicant or with the authorization of the applicant or upon court order.

D. Notwithstanding the provisions of subsection A of § [54.1-2354.4](#), the Board may receive a complaint directly from any person aggrieved by an association's failure to deliver a resale certificate or disclosure packet within the time period required under § [55.1-1809](#), [55.1-1810](#), [55.1-1811](#), [55.1-1900](#), [55.1-1992](#), or [55.1-2161](#).

2008, cc. [851](#), [871](#); 2009, c. [557](#); 2010, cc. [511](#), [615](#); 2011, c. [334](#); 2012, cc. [481](#), [797](#); 2015, c. [268](#); 2017, cc. [387](#), [393](#), [405](#), [406](#); 2019, cc. [391](#), [712](#).

§ 54.1-2350. Annual report; form to accompany resale certificates and disclosure packets.

In addition to the provisions of § [54.1-2349](#), the Board shall:

1. Administer the provisions of Article 2 (§ [54.1-2354.1](#) et seq.);
2. Develop and disseminate an association annual report form for use in accordance with §§ [55.1-1836](#), [55.1-1980](#), and [55.1-2182](#); and
3. Develop and disseminate a form to accompany resale certificates required pursuant to § [55.1-1990](#) and association disclosure packets required pursuant to § [55.1-1809](#), which form shall summarize the unique characteristics of common interest communities generally that may affect a prospective purchaser's decision to purchase a lot or unit located in a common interest community. The form shall include information on the following, which may or may not be applicable to a particular common interest community: (i) the obligation on the part of an owner to pay regular annual or special assessments to the association; (ii) the penalty for failure or refusal to pay such assessments; (iii) the purposes for which such assessments, if any, may be used, including for the construction or maintenance of stormwater management facilities; (iv) the importance the declaration of restrictive covenants or condominium instruments, as applicable, and other governing documents play in

association living; (v) limitations on an owner's ability to rent his lot or unit; (vi) limitations on an owner's ability to park or store certain types of motor vehicles or boats within the common interest community; (vii) limitations on an owner's ability to maintain an animal as a pet within the lot or unit, or in common areas or common elements; (viii) architectural guidelines applicable to an owner's lot or unit; (ix) limitations on an owner's ability to operate a business within a dwelling unit on a lot or within a unit; (x) the period or length of declarant control; and (xi) that the purchase contract for a lot within an association is a legally binding document once it is signed by the prospective purchaser where the purchaser has not elected to cancel the purchase contract in accordance with law. The form shall also provide that (a) the purchaser remains responsible for his own examination of the materials that constitute the resale certificate or disclosure packet and of any table of contents that may be contained therein; (b) the purchaser shall carefully review the entire resale certificate or disclosure packet; and (c) the contents of the resale certificate or disclosure packet shall control to the extent that there are any inconsistencies between the form and the resale certificate or disclosure packet.

2008, cc. [851](#), [871](#); 2017, c. [257](#); 2018, cc. [70](#), [733](#); 2019, cc. [390](#), [712](#).

§ 54.1-2351. General powers and duties of Board concerning associations.

A. The Board may adopt, amend, and repeal rules and regulations and issue orders consistent with and in furtherance of the objectives of this article, but the Board may not intervene in the internal activities of an association except to the extent necessary to prevent or cure violations of this article or of the chapter pursuant to which the association is created. The Board may prescribe forms and procedures for submitting information to the Board.

B. If it appears that any governing board has engaged, is engaging, or is about to engage in any act or practice in violation of this article, the Property Owners' Association Act (§ [55.1-1800](#) et seq.), the Virginia Condominium Act (§ [55.1-1900](#) et seq.), the Virginia Real Estate Cooperative Act (§ [55.1-2100](#) et seq.), or the Virginia Real Estate Time-Share Act (§ [55.1-2200](#) et seq.), or any of the Board's regulations or orders, the Board without prior administrative proceedings may bring an action in the appropriate court to enjoin that act or practice or for other appropriate relief. The Board is not required to post a bond or prove that no adequate remedy at law exists.

C. The Board may intervene in any action involving a violation by a declarant or a developer of a time-share project of this article, the Property Owners' Association Act (§ [55.1-1800](#) et seq.), the Virginia Condominium Act (§ [55.1-1900](#) et seq.), the Virginia Real Estate Cooperative Act (§ [55.1-2100](#) et seq.), or the Virginia Real Estate Time-Share Act (§ [55.1-2200](#) et seq.), or any of the Board's regulations or orders.

D. The Board may accept grants-in-aid from any governmental source and may contract with agencies charged with similar functions in this or other jurisdictions in furtherance of the objectives of this article.

E. The Board may cooperate with agencies performing similar functions in this and other jurisdictions to develop uniform filing procedures and forms, uniform disclosure standards, and uniform administrative practices, and may develop information that may be useful in the discharge of the Board's duties.

F. In issuing any cease and desist order, the Board shall state the basis for the adverse determination

and the underlying facts.

G. Without limiting the remedies that may be obtained under this article, the Board, without compliance with the Administrative Process Act (§ [2.2-4000](#) et seq.), shall have the authority to enforce the provisions of this section and may institute proceedings in equity to enjoin any person, partnership, corporation, or any other entity violating this article, the Property Owners' Association Act (§ [55.1-1800](#) et seq.), the Virginia Condominium Act (§ [55.1-1900](#) et seq.), the Virginia Real Estate Cooperative Act (§ [55.1-2100](#) et seq.), or the Virginia Real Estate Time-Share Act (§ [55.1-2200](#) et seq.), or any of the Board's regulations or orders. Such proceedings shall be brought in the name of the Commonwealth by the Board in the circuit court or general district court of the city or county in which the unlawful act occurred or in which the defendant resides.

H. The Board may assess a monetary penalty to be paid to the Common Interest Community Management Information Fund of not more than \$1,000 per violation against any governing board that violates any provision of this article, the Property Owners' Association Act (§ [55.1-1800](#) et seq.), the Virginia Condominium Act (§ [55.1-1900](#) et seq.), the Virginia Real Estate Cooperative Act (§ [55.1-2100](#) et seq.), or the Virginia Real Estate Time-Share Act (§ [55.1-2200](#) et seq.), or any of the Board's regulations or orders. In determining the amount of the penalty, the Board shall consider the degree and extent of harm caused by the violation. No monetary penalty may be assessed under this article, the Property Owners' Association Act (§ [55.1-1800](#) et seq.), the Virginia Condominium Act (§ [55.1-1900](#) et seq.), the Virginia Real Estate Cooperative Act (§ [55.1-2100](#) et seq.), or the Virginia Real Estate Time-Share Act (§ [55.1-2200](#) et seq.), or any of the Board's regulations or orders unless the governing board has been given notice and an opportunity to be heard pursuant to the Administrative Process Act (§ [2.2-4000](#) et seq.). The penalty may be sued for and recovered in the name of the Commonwealth.

2008, cc. [851](#), [871](#); 2009, c. [557](#); 2010, c. [615](#); 2019, c. [712](#).

§ 54.1-2352. Cease and desist orders.

A. The Board may issue an order requiring the governing board of the association to cease and desist from the unlawful practice and to take such affirmative action as in the judgment of the Board will carry out the purposes of this article, if the Board determines after notice and hearing that the governing board of an association has:

1. Violated any statute or regulation of the Board governing the association regulated pursuant to this article, including engaging in any act or practice in violation of this article, the Property Owners' Association Act (§ [55.1-1800](#) et seq.), the Virginia Condominium Act (§ [55.1-1900](#) et seq.), the Virginia Real Estate Cooperative Act (§ [55.1-2100](#) et seq.), or the Virginia Real Estate Time-Share Act (§ [55.1-2200](#) et seq.), or any of the Board's regulations or orders;
2. Failed to register as an association or to file an annual report as required by statute or regulation;
3. Materially misrepresented facts in an application for registration or an annual report; or
4. Willfully refused to furnish the Board information or records required or requested pursuant to statute or regulation.

B. If the Board makes a finding of fact in writing that the public interest will be irreparably harmed by delay in issuing an order, it may issue a temporary order to cease and desist or to take such affirmative action as may be deemed appropriate by the Board. Prior to issuing the temporary order, the Board shall give notice of the proposal to issue a temporary order to the person. Every temporary order shall include in its terms a provision that upon request a hearing will be held promptly to determine whether or not it becomes permanent.

2008, cc. [851](#), [871](#); 2009, c. [557](#); 2019, cc. [467](#), [712](#).

§ 54.1-2353. Protection of the interests of associations; appointment of receiver for common interest community manager.

A. A common interest community manager owes a fiduciary duty to the associations to which it provides management services with respect to the manager's handling the funds or the records of each association. All funds deposited with the common interest community manager shall be handled in a fiduciary capacity and shall be kept in a separate fiduciary trust account or accounts in an FDIC-insured financial institution separate from the assets of the common interest community manager. The funds shall be the property of the association and shall be segregated for each depository in the records of the common interest community manager in a manner that permits the funds to be identified on an association basis. All records having administrative or fiscal value to the association that a common interest community manager holds, maintains, compiles, or generates on behalf of a common interest community are the property of the association. A common interest community manager may retain and dispose of association records in accordance with a policy contained in the contract between the common interest community manager and the association. Within a reasonable time after a written request for any such records, the common interest community manager shall provide copies of the requested records to the association at the association's expense. The common interest community manager shall return all association records that it retains and any originals of legal instruments or official documents that are in the possession of the common interest community manager to the association within a reasonable time after termination of the contract for management services without additional cost to the association. Records maintained in electronic format may be returned in such format.

B. If the Board has reasonable cause to believe that a common interest community manager is unable to properly discharge its fiduciary responsibilities to an association to which it provides management services, the Board may submit an ex parte petition to the circuit court of the city or county wherein the common interest community manager maintains an office or is doing business for the issuance of an order authorizing the immediate inspection by and production to representatives of the petitioner of any records, documents, and physical or other evidence belonging to the subject common interest community manager. The court may issue such order without notice to the common interest community manager if the petition, supported by affidavit of the petitioner and such other evidence as the court may require, shows reasonable cause to believe that such action is required to prevent immediate loss of property of one or more of the associations to which the subject common interest community manager provides management services. The court may also temporarily enjoin further activity by the common interest community manager and take such further action as shall be necessary to conserve, protect, and disburse the funds involved, including the appointment of a receiver. The papers filed with the court pursuant to this subsection shall be placed under seal.

C. If the Board has reasonable cause to believe that a common interest community manager is unable

to properly discharge its fiduciary responsibilities to an association to which it provides management services, the Board may file a petition with the circuit court of the county or city wherein the subject common interest community manager maintains an office or is doing business. The petition may seek the following relief: (i) an injunction prohibiting the withdrawal of any bank deposits or the disposition of any other assets belonging to or subject to the control of the subject common interest community manager and (ii) the appointment of a receiver for all or part of the funds or property of the subject common interest community manager. The subject common interest community manager shall be given notice of the time and place of the hearing on the petition and an opportunity to offer evidence. The court, in its discretion, may require a receiver appointed pursuant to this section to post bond, with or without surety. The papers filed with the court under this subsection shall be placed under seal until such time as the court grants an injunction or appoints a receiver. The court may issue an injunction, appoint a receiver, or provide such other relief as the court may consider proper if, after a hearing, the court finds that such relief is necessary or appropriate to prevent loss of property of one or more of the associations to which the subject common interest community manager provides management services.

D. In any proceeding under subsection C, any person or entity known to the Board to be indebted to or having in his possession property, real or personal, belonging to or subject to the control of the subject common interest community manager's business and which property the Board reasonably believes may become part of the receivership assets shall be served with a copy of the petition and notice of the time and place of the hearing.

E. The court shall describe the powers and duties of the receiver in its appointing order, which may be amended from time to time. The receiver shall, unless otherwise ordered by the court in the appointing order, (i) prepare and file with the Board a list of all associations managed by the subject common interest community manager; (ii) notify in writing all of the associations to which the subject common interest community manager provides management services of the appointment and take whatever action the receiver deems appropriate to protect the interests of the associations until such time as the associations have had an opportunity to obtain a successor common interest community manager; (iii) facilitate the transfer of records and information to such successor common interest community manager; (iv) identify and take control of all bank accounts, including without limitation trust and operating accounts, over which the subject common interest community manager had signatory authority in connection with its management business; (v) prepare and submit an accounting of receipts and disbursements and account balances of all funds under the receiver's control for submission to the court within four months of the appointment and annually thereafter until the receivership is terminated by the court; (vi) attempt to collect any accounts receivable related to the subject common interest community manager's business; (vii) identify and attempt to recover any assets wrongfully diverted from the subject common interest community manager's business, or assets acquired with funds wrongfully diverted from the subject common interest community manager's business; (viii) terminate the subject common interest community manager's business; (ix) reduce to cash all of the assets of the subject common interest community manager; (x) determine the nature and amount of all claims of creditors of the subject common interest community manager, including associations to which the subject common interest community manager provided management services; and (xi) prepare and file with the court a report of such assets and claims proposing a plan for the distribution of funds in the receivership to such creditors in accordance with the provisions of subsection F.

F. Upon the court's approval of the receiver's report referenced in subsection E, at a hearing after such

notice as the court may require to creditors, the receiver shall distribute the assets of the common interest community manager and funds in the receivership first to clients whose funds were or ought to have been held in a fiduciary capacity by the subject common interest community manager, then to the receiver for fees, costs, and expenses awarded pursuant to subsection G, and thereafter to the creditors of the subject common interest community manager, and then to the subject common interest community manager or its successors in interest.

G. A receiver appointed pursuant to this section shall be entitled, upon proper application to the court in which the appointment was made, to recover an award of reasonable fees, costs, and expenses. If there are not sufficient nonfiduciary funds to pay the award, then the shortfall shall be paid by the Common Interest Community Management Recovery Fund as a cost of administering the Fund pursuant to § [54.1-2354.5](#), to the extent that the said Fund has funds available. The Fund shall have a claim against the subject common interest community manager for the amount paid.

H. The court may determine whether any assets under the receiver's control should be returned to the subject common interest community manager.

I. If the Board shall find that any common interest community manager is insolvent, that its merger into another common interest community manager is desirable for the protection of the associations to which such common interest community manager provides management services, and that an emergency exists, and, if the board of directors of such insolvent common interest community manager shall approve a plan of merger of such common interest community manager into another common interest community manager, compliance with the requirements of § [13.1-718](#) shall be dispensed with as to such insolvent common interest community manager and the approval by the Board of such plan of merger shall be the equivalent of approval by the holders of more than two-thirds of the outstanding shares of such insolvent common interest community manager for all purposes of Article 12 (§ [13.1-715.1](#) et seq.) of Chapter 9 of Title 13.1. If the Board finds that a common interest community manager is insolvent, that the acquisition of its assets by another common interest community manager is in the best interests of the associations to which such common interest community manager provides management services, and that an emergency exists, it may, with the consent of the boards of directors of both common interest community managers as to the terms and conditions of such transfer, including the assumption of all or certain liabilities, enter an order transferring some or all of the assets of such insolvent common interest community manager to such other common interest community manager, and no compliance with the provisions of §§ [13.1-723](#) and [13.1-724](#) shall be required, nor shall §§ [13.1-730](#) through [13.1-741](#) be applicable to such transfer. In the case either of such a merger or of such a sale of assets, the Board shall provide that prompt notice of its finding of insolvency and of the merger or sale of assets be sent to the stockholders of record of the insolvent common interest community manager for the purpose of providing such shareholders an opportunity to challenge the finding that the common interest community manager is insolvent. The relevant books and records of such insolvent common interest community manager shall remain intact and be made available to such shareholders for a period of 30 days after such notice is sent. The Board's finding of insolvency shall become final if a hearing before the Board is not requested by any such shareholder within such 30-day period. If, after such hearing, the Board finds that such common interest community manager was solvent, it shall rescind its order entered pursuant to this subsection and the merger or transfer of assets shall be rescinded. But if, after such hearing, the Board finds that such common interest community manager was insolvent, its order shall be final.

J. The provisions of this article are declared to be remedial. The purpose of this article is to protect the interests of associations adversely affected by common interest community managers who have breached their fiduciary duty. The provisions of this article shall be liberally administered in order to protect those interests and thereby the public's interest in the quality of management services provided by Virginia common interest community managers.

2008, cc. [851](#), [871](#); 2011, cc. [334](#), [605](#); 2019, c. [712](#).

§ 54.1-2354. Variation by agreement.

Except as expressly provided in this article, provisions of this article may not be varied by agreement, and rights conferred by this article may not be waived. All management agreements entered into by common interest community managers shall comply with the terms of this article and the provisions of the Property Owners' Association Act (§ [55.1-1800](#) et seq.), the Virginia Condominium Act (§ [55.1-1900](#) et seq.), the Virginia Real Estate Cooperative Act (§ [55.1-2100](#) et seq.), or the Virginia Real Estate Time-Share Act (§ [55.1-2200](#) et seq.), as applicable.

2008, cc. [851](#), [871](#); 2019, c. [712](#).

Article 2. Common Interest Community Management Information Fund; Common Interest Community Ombudsman; Common Interest Community Management Recovery Fund

§ 54.1-2354.1. Definitions.

As used in this article, unless the context requires a different meaning:

"Balance of the fund" means cash, securities that are legal investments for fiduciaries under the provisions of subdivisions A 1, 2, and 4 of § [2.2-4519](#), and repurchase agreements secured by obligations of the United States government or any agency thereof, and shall not mean accounts receivable, judgments, notes, accrued interest, or other obligations to the fund.

"Claimant" means, upon proper application to the Director, a receiver for a common interest community manager appointed pursuant to § [54.1-2353](#) in those cases in which there are not sufficient funds to restore all funds that were or ought to have been held in a fiduciary capacity by the subject common interest community manager or to pay an award of reasonable fees, costs, and expenses to the receiver.

"Director" means the Director of the Department of Professional and Occupational Regulation.

1993, c. 958; 2008, cc. [851](#), [871](#), § 55-528; 2019, c. [712](#).

§ 54.1-2354.2. Common Interest Community Management Information Fund.

A. There is hereby created the Common Interest Community Management Information Fund, referred to in this section as "the Fund," to be used in the discretion of the Board to promote the improvement and more efficient operation of common interest communities through research and education. The Fund shall be established on the books of the Comptroller. The Fund shall consist of money paid into

it pursuant to §§ [54.1-2349](#), [55.1-1835](#), [55.1-1980](#), and [55.1-2182](#), and such money shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but, at the discretion of the Board, shall remain in the Fund or shall be transferred to the Common Interest Community Management Recovery Fund established pursuant to § [54.1-2354.5](#).

B. Expenses for the operations of the Office of the Common Interest Community Ombudsman, including the compensation paid to the Common Interest Community Ombudsman, shall be paid first from interest earned on deposits constituting the Fund and the balance from the moneys collected annually in the Fund. The Board may use the remainder of the interest earned on the balance of the Fund and of the moneys collected annually and deposited in the Fund for financing or promoting the following:

1. Information and research in the field of common interest community management and operation;
2. Expedient and inexpensive procedures for resolving complaints about an association from members of the association or other citizens;
3. Seminars and educational programs designed to address topics of concern to community associations; and
4. Other programs deemed necessary and proper to accomplish the purpose of this article.

C. Following the close of any biennium, when the Common Interest Community Management Information Fund shows expenses allocated to it for the past biennium to be more than 10 percent greater or less than moneys collected on behalf of the Board, the Board shall revise the fees levied by it for placement into the Fund so that the fees are sufficient but not excessive to cover expenses. A fee established pursuant to § [55.1-1835](#), [55.1-1980](#), or [55.1-2182](#) shall not exceed \$25 unless such fee is based on the number of units or lots in the association.

1993, c. 958, § 55-529; 2008, cc. [851](#), [871](#); 2019, cc. [391](#), [712](#).

§ 54.1-2354.3. Common Interest Community Ombudsman; appointment; powers and duties.

A. The Director in accordance with § [54.1-303](#) shall appoint a Common Interest Community Ombudsman (the Ombudsman) and shall establish the Office of the Common Interest Community Ombudsman (the Office). The Ombudsman shall be a member in good standing in the Virginia State Bar. All state agencies shall assist and cooperate with the Office in the performance of its duties under this article.

B. The Office shall:

1. Assist members in understanding rights and the processes available to them according to the laws and regulations governing common interest communities and respond to general inquiries;
2. Make available, either separately or through an existing website, information concerning common interest communities and such additional information as may be deemed appropriate;

3. Receive notices of final adverse decisions;

4. Upon request, assist members in understanding the rights and processes available under the laws and regulations governing common interest communities and provide referrals to public and private agencies offering alternative dispute resolution services, with a goal of reducing and resolving conflicts among associations and their members;

5. Ensure that members have access to the services provided through the Office and that the members receive timely responses from the representatives of the Office to the inquiries;

6. Maintain data on inquiries received, types of assistance requested, notices of final adverse decisions received, actions taken, and the disposition of each such matter;

7. Upon request to the Director by (i) any of the standing committees of the General Assembly having jurisdiction over common interest communities or (ii) the Housing Commission, provide to the Director for dissemination to the requesting parties assessments of proposed and existing common interest community laws and other studies of common interest community issues;

8. Monitor changes in federal and state laws relating to common interest communities;

9. Provide information to the Director that will permit the Director to report annually on the activities of the Office of the Common Interest Community Ombudsman to the standing committees of the General Assembly having jurisdiction over common interest communities and to the Housing Commission. The Director's report shall be filed by December 1 of each year and shall include a summary of significant new developments in federal and state laws relating to common interest communities each year; and

10. Carry out activities as the Board determines to be appropriate.

1993, c. 958, § 55-530; 1997, c. [222](#); 1998, c. [463](#); 2001, c. [816](#); 2008, cc. [851](#), [871](#); 2010, cc. [59](#), [208](#); 2012, cc. [481](#), [797](#); 2019, c. [712](#).

§ 54.1-2354.4. Association complaint procedures; final adverse decisions.

A. The Board shall establish by regulation a requirement that each association shall establish reasonable procedures for the resolution of written complaints from the members of the association and other citizens. Each association shall adhere to the written procedures established pursuant to this subsection when resolving association member and citizen complaints. The procedures shall include the following:

1. A record of each complaint shall be maintained for no less than one year after the association acts upon the complaint.

2. Such association shall provide complaint forms or written procedures to be given to persons who wish to register written complaints. The forms or procedures shall include the address and telephone number of the association or its common interest community manager to which complaints shall be directed and the mailing address, telephone number, and electronic mailing address of the Office.

The forms and written procedures shall include a clear and understandable description of the complainant's right to give notice of adverse decisions pursuant to this section.

B. A complainant may give notice to the Board of any final adverse decision in accordance with regulations promulgated by the Board. The notice shall be filed within 30 days of the final adverse decision, shall be in writing on forms prescribed by the Board, shall include copies of all records pertinent to the decision, and shall be accompanied by a \$25 filing fee. The fee shall be collected by the Director and paid directly into the state treasury and credited to the Common Interest Community Management Information Fund pursuant to § [54.1-2354.2](#). The Board may, for good cause shown, waive or refund the filing fee upon a finding that payment of the filing fee will cause undue financial hardship for the member. The Director shall provide a copy of the written notice to the association that made the final adverse decision.

C. The Director or his designee may request additional information concerning any notice of final adverse decision from the association that made the final adverse decision. The association shall provide such information to the Director within a reasonable time upon request. If the Director upon review determines that the final adverse decision may be in conflict with laws or regulations governing common interest communities or interpretations thereof by the Board, the Director may, in his sole discretion, provide the complainant and the association with information concerning such laws or regulations governing common interest communities or interpretations thereof by the Board. The determination of whether the final adverse decision may be in conflict with laws or regulations governing common interest communities or interpretations thereof by the Board shall be a matter within the sole discretion of the Director, whose decision is final and not subject to further review. The determination of the Director shall not be binding upon the complainant or the association that made the final adverse decision.

1993, c. 958, § 55-530; 1997, c. [222](#); 1998, c. [463](#); 2001, c. [816](#); 2008, cc. [851](#), [871](#); 2010, cc. [59](#), [208](#); 2012, cc. [481](#), [797](#); 2019, c. [712](#).

§ 54.1-2354.5. Common Interest Community Management Recovery Fund.

A. There is hereby created the Common Interest Community Management Recovery Fund, referred to in this section as "the Fund," to be used in the discretion of the Board to protect the interests of associations.

B. Each common interest community manager, at the time of initial application for licensure, and each association filing its first annual report after the effective date shall be assessed \$25, which shall be specifically assigned to the Fund. Initial payments may be incorporated in any application fee payment or annual filing fee and transferred to the Fund by the Director within 30 days.

All assessments, except initial assessments, for the Fund shall be deposited within three business days after their receipt by the Director, in one or more federally insured banks, savings and loan associations, or savings banks located in the Commonwealth. Funds deposited in banks, savings institutions, or savings banks in excess of insurance afforded by the Federal Deposit Insurance Corporation or other federal insurance agency shall be secured under the Virginia Security for Public Deposits Act (§ [2.2-4400](#) et seq.). The deposit of these funds in federally insured banks, savings and loan associations, or savings banks located in the Commonwealth shall not be considered investment of such funds for purposes of this section. Funds maintained by the Director may be invested in

securities that are legal investments for fiduciaries under the provisions of § [64.2-1502](#).

Interest earned on the deposits constituting the Fund shall be used for administering the Fund. The remainder of this interest, at the discretion of the Board, may be transferred to the Common Interest Community Management Information Fund, established pursuant to § [54.1-2354.2](#), or accrue to the Fund.

C. On and after July 1, 2011, the minimum balance of the Fund shall be \$150,000. Whenever the Director determines that the principal balance of the Fund is or will be less than such minimum principal balance, the Director shall immediately inform the Board. At the same time, the Director may recommend that the Board transfer a fixed amount from the Common Interest Community Management Information Fund to the Fund to bring the principal balance of the Fund to the amount required by this subsection. Such transfer shall be considered by the Board within 30 days of the notification of the Director.

D. If any such transfer of funds is insufficient to bring the principal balance of the Fund to the minimum amount required by this section, or if a transfer to the Fund has not occurred, the Board shall assess each association and each common interest community manager, within 30 days of notification by the Director, a sum sufficient to bring the principal balance of the Fund to the required minimum amount. The amount of such assessment shall be allocated among the associations and common interest community managers in proportion to each payor's most recently paid annual assessment, or if an association or common interest community manager has not paid an annual assessment previously, in proportion to the average annual assessment most recently paid by associations or common interest community managers, respectively. The Board may order an assessment at any time in addition to any required assessment. Assessments made pursuant to this subsection may be issued by the Board (i) after a determination made by it or (ii) at the time of license renewal.

Notice to common interest community managers and the governing boards of associations of these assessments shall be by first-class mail, and payment of such assessments shall be made by first-class mail addressed to the Director within 45 days after the mailing of such notice.

E. If any common interest community manager fails to remit the required payment within 45 days of the mailing, the Director shall notify the common interest community manager by first-class mail at the latest address of record filed with the Board. If no payment has been received by the Director within 30 days after mailing the second notice, the license shall be automatically suspended. The license shall be restored only upon the actual receipt by the Director of the delinquent assessment.

F. If any association fails to remit the required payment within 45 days of the mailing, the Director shall notify the association by first-class mail at the latest address of record filed with the Board. If no payment has been received by the Director within 30 days after mailing the second notice, it shall be deemed a knowing and willful violation of this section by the governing board of the association.

G. At the close of each fiscal year, whenever the balance of the Fund exceeds \$5 million, the amount in excess of \$5 million shall be transferred to the Virginia Housing Trust Fund established pursuant to Chapter 9 (§ [36-141](#) et seq.) of Title 36. Except for payments of costs as set forth in this article and transfers pursuant to this subsection, there shall be no transfers out of the Fund, including transfers to the general fund, regardless of the balance of the Fund.

H. A claimant may seek recovery from the Fund subject to the following conditions:

1. A claimant may file a verified claim in writing to the Director for a recovery from the Fund.

2. Upon proper application to the Director, in those cases in which there are not sufficient funds to pay an award of reasonable fees, costs, and expenses to the receiver or to restore all funds that were or ought to have been held in a fiduciary capacity by the subject common interest community manager, the Director shall report to the Board the amount of any shortfall to the extent that there are not sufficient funds (i) to pay any award of fees, costs, and expenses pursuant to subsection G of § [54.1-2353](#) by the court appointing the receiver; or (ii) to restore all funds that were or ought to have been held in a fiduciary capacity by the subject common interest community manager, as certified by the court appointing the receiver.

3. If the Board finds there has been compliance with the required conditions, the Board shall issue a directive ordering payment of the amount of such shortfall to the claimant from the Fund, provided that in no event shall such payment exceed the balance in the Fund. When the Fund balance is not sufficient to pay the aggregate amount of such shortfall, the Board shall direct that payment be applied first in satisfaction of any award of reasonable fees, costs, and expenses to the receiver and second to restore the funds that were or ought to have been held in a fiduciary capacity by the subject common interest community manager. If the Board has reason to believe that there may be additional claims against the Fund, the Board may withhold any payment from the Fund for a period of not more than one year. After such one-year period, if the aggregate of claims received exceeds the Fund balance, the Fund balance shall be prorated by the Board among the claimants and paid in the above payment order from the Fund in proportion to the amounts of claims remaining unpaid.

4. The Director shall, subject to the limitations set forth in this subsection, pay to the claimant from the Fund such amount as shall be directed by the Board upon the execution and delivery to the Director by such claimant of an assignment to the Board of the claimant's rights on its behalf and on behalf of the associations receiving distributions from the Fund against the common interest community manager to the extent that such rights were satisfied from the Fund.

5. The claimant shall be notified in writing of the findings of the Board. The Board's findings shall be considered a case decision as defined in § [2.2-4001](#), and judicial review of these findings shall be in accordance with § [2.2-4025](#) of the Administrative Process Act (§ [2.2-4000](#) et seq.).

6. Notwithstanding any other provision of law, the Board shall have the right to appeal a decision of any court that is contrary to any distribution recommended or authorized by it.

7. Upon payment by the Director to a claimant from the Fund as provided in this subsection, the Board shall immediately revoke the license of the common interest community manager whose actions resulted in payment from the Fund. The common interest community manager whose license was so revoked shall not be eligible to apply for a license as a common interest community manager until he has repaid in full the amount paid from the Fund on his account, plus interest at the judgment rate of interest from the date of payment from the Fund.

8. Nothing contained in this subsection shall limit the authority of the Board to take disciplinary action against any common interest community manager for any violation of statute or regulation,

nor shall the repayment in full by a common interest community manager of the amount paid from the Fund on such common interest community manager's account nullify or modify the effect of any disciplinary proceeding against such common interest community manager for any such violation.

2008, cc. [851](#), [871](#), § 55-530.1; 2009, c. [557](#); 2013, c. [754](#); 2019, c. [712](#).

DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.

1 **Common Interest Community Board**

2 **2021 General Review**

3 **18VAC48-50-10. Definitions.**

4 A. Section 54.1-2345 of the Code of Virginia provides definitions of the following terms and
5 phrases as used in this chapter:

6 "Association"

7 "Board"

8 "Common interest community"

9 "Common interest community manager"

10 "Declaration"

11 "Governing board"

12 "Lot"

13 "Management services"

14 B. The following words, terms, and phrases when used in this chapter shall have the
15 following meanings unless the context clearly indicates otherwise:

16 "Active status" means the status of for a certificated person who is in the employ of a
17 common interest community manager.

18 "Address of record" means the mailing address designated by the regulant to receive
19 notices and correspondence from the board. Notice mailed to the address of record by certified
20 mail, return receipt requested, ~~shall~~ will be deemed valid notice.

21 "Applicant" means a common interest community manager who has submitted an
22 application for licensure or an individual who has submitted an application for certification.

23 "Application" means a completed, board-prescribed form submitted with the appropriate fee
24 and other required documentation.

25 "Certified principal or supervisory employee" refers to any individual who has principal
26 responsibility for management services provided to a common interest community or who has
27 supervisory responsibility for employees who participate directly in the provision of management
28 services to a common interest community, and who holds a certificate issued by the board.

29 "Contact hour" means 50 minutes of instruction.

30 "Department" means the Virginia Department of Professional and Occupational Regulation.

31 "Direct supervision" means exercising oversight and direction of, and control over, the work
32 of another.

33 "Firm" means a sole proprietorship, association, partnership, corporation, limited liability
34 company, limited liability partnership, or any other form of business organization recognized
35 under the laws of the Commonwealth of Virginia and properly registered, as may be required,
36 with the Virginia State Corporation Commission.

37 "Principal responsibility" means having the primary obligation for the direct provision of
38 management services provided to a common interest community.

39 "Qualifying individual" means the supervisory employee, officer, owner, manager, or
40 principal, howsoever denominated, involved in all aspects of the management services offered
41 and provided by the firm who is designated by the firm to qualify for licensure as a common
42 interest community manager as permitted under 18VAC48-50-30 K.

43 "Regulant" means a common interest community manager as defined in ~~§ 54.1-2345~~ of the
44 Code of Virginia who holds a license issued by the board or an individual who holds a certificate
45 issued by the board.

46 "Reinstatement" means the process and requirements through which an expired license or
47 certificate can be made valid without the regulant having to apply as a new applicant.

48 "Renewal" means the process and requirements for periodically approving the continuance
49 of a license or certificate.

50 "Responsible person" means the employee, officer, manager, owner, or principal,
51 howsoever denominated, of the firm who shall be designated by each firm to ensure compliance
52 with Chapter 23.3 (§ 54.1-2345 et seq.) of Title 54.1 of the Code of Virginia, and all regulations
53 of the board, and to receive communications and notices from the board that may affect the
54 firm. ~~In the case of a sole proprietorship, the sole proprietor shall have the responsibilities of the~~
55 ~~responsible person.~~

56 "Sole proprietor" means any individual, not a corporation or other registered business entity,
57 who is trading under his own name, or under an assumed or fictitious name pursuant to the
58 provisions of Chapter 5 of Title 59.1 (§ 59.1-69 et seq.) of the Code of Virginia.

59 "Supervisory responsibility" means providing formal supervision of the work of at least one
60 other person. The individual who has supervisory responsibility directs the work of another
61 employee or other employees, has control over the work performed, exercises examination and
62 evaluation of the employee's performance, or has the authority to make decisions personally
63 that affect the management services provided.

64 **18VAC48-50-15. Necessity for licensure of firms and certification of employees.**

65 A. Unless exempted by § 54.1-2347 of the Code of Virginia, any firm offering management
66 services to a common interest community must hold a license as a common interest community
67 manager.

68 B. In accordance with § 54.1-2346 C of the Code of Virginia, all employees of a licensed
69 common interest community manager who have principal responsibility for management

70 services provided to a common interest community or who have supervisory responsibility for
71 employees who participate directly in the provision of management services to a common
72 interest community must, within two years after employment with the common interest
73 community manager, hold a certificate issued by the board certifying the person possesses the
74 character and minimum skills to engage properly in the provision of management services to a
75 common interest community or must be under the direct supervision of a certified employee of
76 the common interest community manager.

77 **18VAC48-50-20. Application procedures.**

78 A. All applicants firms or individuals seeking licensure or certification shall must submit an
79 application with the appropriate fee specified in 18VAC48-50-60. Application ~~shall~~ will be made
80 on forms provided by the board or its agent.

81 1. By submitting the application to the department, the applicant certifies that the
82 applicant has read and understands the applicable statutes and the board's regulations.

83 2. The receipt of an application and the deposit of fees by the board does not indicate
84 approval by the board.

85 B. The board may make further inquiries and investigations with respect to the applicant's
86 qualifications to confirm or amplify information supplied. All applications ~~shall~~ must be
87 completed in accordance with the instructions contained ~~herein~~ in this section and on the
88 application. Applications will not be considered complete until all required documents are
89 received by the board.

90 C. An individual or firm The applicant will be notified within 30 days of the board's receipt of
91 an initial application if the application is incomplete. ~~An individual or firm~~ A firm or individual that
92 fails to complete the application process within 12 months of receipt of the application in the
93 board's office must submit a new application and fee.

94 D. The applicant must immediately report, in writing, all changes in information supplied with
95 the application prior to issuance of the license or certificate or expiration of the application.

96 **18VAC48-50-30. Qualifications for licensure as a common interest community manager.**

97 ~~A. Firms that provide common interest community management services shall submit an~~
98 ~~application on a form prescribed by the board and shall~~ Each firm applying for a common
99 interest community manager license must meet the requirements set forth in § 54.1-2346 of the
100 Code of Virginia, as well as the additional qualifications of this section.

101 ~~B. Any firm offering management services as defined in § 54.1-2345 of the Code of Virginia~~
102 ~~shall hold a license as a common interest community manager. All names under which the~~
103 ~~common interest community manager conducts business shall be disclosed on the application.~~
104 ~~The name under which the firm conducts business and holds itself out to the public (i.e., the~~
105 ~~trade or fictitious name) shall also be disclosed on the application. Firms shall must be~~
106 ~~organized as business entities under the laws of the Commonwealth of Virginia or otherwise~~
107 ~~authorized to transact business in Virginia. Firms shall register any trade or fictitious names with~~
108 ~~the State Corporation Commission in accordance with Chapter 5 of Title 59.1 (§ 59.1-69 et seq.)~~
109 ~~of the Code of Virginia before submitting an application to the board.~~

110 C. The applicant for a common interest community manager license must disclose the name
111 under which the firm conducts business and holds itself out to the public. The firm must register
112 any trade or fictitious names with the State Corporation Commission in accordance with Chapter
113 5 of Title 59.1 (§ 59.1-69 et seq.) of the Code of Virginia before submitting an application to the
114 board.

115 ~~G- D.~~ D. The applicant for a common interest community manager license shall must disclose
116 the firm's mailing address, and the firm's physical address, and the address of the office from

117 which the firm provides management services to Virginia common interest communities. A post
118 office box is only acceptable as a mailing address when a physical address is also provided.

119 ~~D. E.~~ In accordance with § 54.1-204 of the Code of Virginia, each applicant for a common
120 interest community manager license shall must disclose the following information about the firm,
121 the responsible person, the qualifying individual, and any of the principals of the firm:

- 122 1. All felony convictions.
- 123 2. All misdemeanor convictions, except marijuana convictions, ~~in any jurisdiction that~~
124 occurred within three years of the date of application.
- 125 3. ~~Any plea of nolo contendere or finding of guilt regardless of adjudication or deferred~~
126 ~~adjudication shall be considered a conviction for the purposes of this section. The record~~
127 ~~of conviction certified or authenticated in such form as to be admissible in evidence~~
128 ~~under the laws of the jurisdiction where convicted shall be admissible as prima facie~~
129 ~~evidence of such guilt.~~

130 The board, in its discretion, may deny licensure to an applicant in accordance with § 54.1-
131 204 of the Code of Virginia.

132 ~~E. F.~~ The applicant for a common interest community manager license shall must submit
133 evidence acceptable to the board of having obtained a blanket fidelity bond or employee
134 dishonesty insurance policy in accordance with § 54.1-2346 D of the Code of Virginia and
135 18VAC48-50-33. ~~Proof of current bond or insurance policy with the firm as the named~~
136 ~~bondholder or insured must be submitted in order to obtain or renew the license. The bond or~~
137 ~~insurance policy must be in force no later than the effective date of the license and shall remain~~
138 ~~in effect through the date of expiration of the license.~~

139 ~~F. G.~~ The applicant for a common interest community manager license shall must be in
140 compliance with the standards of conduct and practice set forth in Part V (18VAC48-50-140 et.

DRIFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be considered as regulation or official Board position.

141 seq.) of this chapter at the time of application, while the application is under review by the
142 board, and at all times when the license is in effect.

143 ~~G. The applicant for a common interest community manager license, the responsible
144 person, and any principals of the firm shall be in good standing in Virginia and in every
145 jurisdiction and with every board or administrative body where licensed, certified, or registered
146 and the board, in its discretion, may deny licensure to any applicant who has been subject to, or
147 whose principals have been subject to, or any firm in which the principals of the applicant for a
148 common interest community manager license hold a 10% or greater interest have been subject
149 to, any form of adverse disciplinary action, including reprimand, revocation, suspension or
150 denial, imposition of a monetary penalty, required to complete remedial education, or any other
151 corrective action, in any jurisdiction or by any board or administrative body or surrendered a
152 license, certificate, or registration in connection with any disciplinary action in any jurisdiction
153 prior to obtaining licensure in Virginia.~~

154 H. The applicant for a common interest community manager license must report any
155 disciplinary action taken by any board or administrative body in any jurisdiction against a
156 professional or occupational license, certification, or registration issued to the firm, its principals,
157 the qualifying individual, and the responsible person, to include any reprimand, suspension,
158 revocation, or surrender of a license, certification, or registration, imposition of a monetary
159 penalty or requirement to take remedial education or other corrective action. The board, in its
160 discretion, may deny licensure to any applicant based on disciplinary action taken by any board
161 or administrative body in any jurisdiction.

162 ~~H. I. The applicant for a common interest community manager license shall~~ must provide all
163 ~~relevant~~ information about the firm, the responsible person, the qualifying individual, and any of
164 the principals of the firm for the seven years prior to application on any outstanding judgments,
165 past-due tax assessments, defaults on bonds, or pending or past bankruptcies and specifically

166 shall must provide all relevant financial information related to providing management services as
167 defined in § 54.1-2345 of the Code of Virginia. The applicant for a common interest community
168 manager license shall further disclose whether or not one or more of the principals who
169 individually or collectively own more than a 50% equity interest in the firm are or were equity
170 owners holding, individually or collectively, a 10% or greater interest in any other entity licensed
171 by any agency of the Commonwealth of Virginia that was the subject of any adverse disciplinary
172 action, including revocation of a license, within the seven-year period immediately preceding the
173 date of application.

174 I. An J. The applicant for a common interest community manager license shall must hold an
175 active designation as an Accredited Association Management Company by the Community
176 Associations Institute.

177 J. Prior to July 1, 2012, in lieu of the provisions of subsection I of this section, an application
178 for a common interest community manager license may be approved provided the applicant
179 certifies to the board that the applicant has:

180 1. At least one supervisory employee, officer, manager, owner, or principal of the firm
181 who is involved in all aspects of the management services offered and provided by the
182 firm and who has satisfied one of the following criteria:

183 a. Holds an active designation as a Professional Community Association Manager by
184 Community Associations Institute;

185 b. Has successfully completed a comprehensive training program as described in
186 18VAC48-50-250 B, as approved by the board, and has at least three years of
187 experience in providing management services, the quality of which demonstrates to
188 the board that the individual is competent to have supervisory responsibility or
189 principal responsibility for management services;

190 ~~c. Has successfully completed an introductory training program as described in~~
191 ~~18VAC48-50-250 A, as approved by the board, and has at least five years of~~
192 ~~experience in providing management services, the quality of which demonstrates to~~
193 ~~the board that the individual is competent to have supervisory responsibility or~~
194 ~~principal responsibility for management services; or~~

195 ~~d. Has not completed a board-approved training program but who, in the judgment of~~
196 ~~the board, has obtained the equivalent of such training program by documented~~
197 ~~course work that meets the requirements of a board-approved comprehensive~~
198 ~~training program as described in Part VI (18VAC48-50-230 et seq.) of this chapter~~
199 ~~and has at least 10 years of experience in providing management services, the~~
200 ~~quality of which demonstrates to the board that the individual is competent to have~~
201 ~~supervisory responsibility or principal responsibility for management services.~~

202 ~~2. At least 50% of persons in the firm with principal responsibility for management~~
203 ~~services to a common interest community in the Commonwealth of Virginia have~~
204 ~~satisfied one of the following criteria:~~

205 ~~a. Hold an active designation as a Professional Community Association Manager~~
206 ~~and certify having provided management services for a period of 12 months~~
207 ~~immediately preceding application;~~

208 ~~b. Hold an active designation as a Certified Manager of Community Associations by~~
209 ~~the National Board of Certification for Community Association Managers and certify~~
210 ~~having two years of experience in providing management services. Of the required~~
211 ~~two years of experience, a minimum of 12 months of experience must have been~~
212 ~~gained immediately preceding application;~~

DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.

213 ~~c. Hold an active designation as an Association Management Specialist and certify~~
214 ~~having two years of experience in providing management services. Of the required~~
215 ~~two years of experience, a minimum of 12 months of experience must have been~~
216 ~~gained immediately preceding application; or~~

217 ~~d. Have completed a comprehensive or introductory training program, as set forth in~~
218 ~~18VAC48-50-250 A or B, and passed a certifying examination approved by the board~~
219 ~~and certify having two years of experience in providing management services. Of the~~
220 ~~required two years of experience, a minimum of 12 months of experience must have~~
221 ~~been gained immediately preceding application.~~

222 K. ~~Effective July 1, 2012, the applicant for a common interest community manager license~~
223 ~~shall attest that all employees of the firm who have principal responsibility for management~~
224 ~~services provided to a common interest community or who have supervisory responsibility for~~
225 ~~employees who participate directly in the provision of management services to a common~~
226 ~~interest community shall, within two years after employment with the common interest~~
227 ~~community manager, hold a certificate as a certified principal or supervisory employee issued by~~
228 ~~the board or shall be under the direct supervision of a certified principal or supervisory~~
229 ~~employee.~~

230 L. ~~Effective July 1, 2012, in In lieu of the provisions of subsection † J of this section, an~~
231 ~~application for a common interest community manager license may be approved provided the~~
232 ~~applicant certifies to the board that the applicant has at least one supervisory employee, officer,~~
233 ~~manager, owner, or principal of the firm who is involved in all aspects of the management~~
234 ~~services offered and provided by the firm and applicant for a common interest community~~
235 ~~manager license may designate a qualifying individual who has satisfied one of the following~~
236 ~~criteria:~~

- 237 1. Holds an active designation as a Professional Community Association Manager by
238 Community Associations Institute;
- 239 2. Has successfully completed a comprehensive training program as described in
240 18VAC48-50-250 B, and a Virginia common interest community laws and regulations
241 training module as described in 18VAC48-50-252, as approved by the board, and has at
242 least three years of experience in providing management services, the quality of which
243 demonstrates to the board that the individual is competent to have supervisory
244 responsibility or principal responsibility for management services;
- 245 3. Has successfully completed an introductory training program as described in
246 18VAC48-50-250 A, and a Virginia common interest community laws and regulations
247 training module as described in 18VAC48-50-252, as approved by the board, and has at
248 least five years of experience in providing management services, the quality of which
249 demonstrates to the board that the individual is competent to have supervisory
250 responsibility or principal responsibility for management services; or
- 251 4. Has not completed a board-approved training program but, in the judgment of the
252 board, has obtained the equivalent of such training program by documented coursework
253 that meets the requirements of a board-approved comprehensive training program as
254 described in Part VI (18VAC48-50-230 et seq.) of this chapter and has at least 10 years
255 of experience in providing management services, the quality of which demonstrates to
256 the board that the individual is competent to have supervisory responsibility or principal
257 responsibility for management services.

258 The board, in its discretion, may consider other types of management experience that are
259 substantially equivalent in nature to management services as defined in § 54.1-2345 of the
260 Code of Virginia to fulfill the requirements of this subsection.

261 L. In accordance with § 54.1-2346 C of the Code of Virginia, the applicant for a common
262 interest community manager license must disclose and provide the dates of employment for all
263 employees of the firm who have principal responsibility for management services provided to a
264 common interest community or who have supervisory responsibility for employees who
265 participate directly in the provision of management services to a common interest community.

266 M. The firm shall must designate a responsible person.

267 **18VAC48-50-33. Blanket fidelity bond or employee dishonesty insurance policy to be**
268 **obtained by common interest community manager.**

269 A. In accordance with § 54.1-2346 D of the Code of Virginia, a common interest community
270 manager must obtain and maintain a blanket fidelity bond or employee dishonesty insurance
271 policy insuring the common interest community manager against losses resulting from theft or
272 dishonesty committed by the officers, directors, and persons employed by the common interest
273 community manager. The bond or insurance policy must include coverage for losses of clients
274 of the common interest community manager resulting from theft or dishonesty committed by the
275 officers, directors, and persons employed by the common interest community manager. Such
276 bond or insurance policy must provide coverage in an amount equal to the lesser of \$2 million or
277 the highest aggregate amount of the operating and reserve balances of all associations under
278 the control of the common interest community manager during the prior fiscal year of the
279 common interest community manager. The minimum coverage amount must be \$10,000. The
280 surety company or insurance company must be authorized to do business in Virginia.

281 B. A common interest community manager must provide the board with proof of current
282 bond or insurance policy with the firm named as the bondholder or insured in order to obtain or
283 renew a license. A bond or insurance policy complying with this chapter must be in force no
284 later than the effective date of the license and remain in force during the period of licensure.
285 Such proof must include (i) the name of the surety company or insurance carrier; (ii) the dollar

286 amount of the bond or insurance policy; (iii) a description of coverage as it applies to the
287 requirements in § 54.1-2346 D of the Code of Virginia; and (iv) the expiration date of the bond or
288 insurance policy. The board may require a certified statement from the surety company or
289 insurance carrier that the common interest community manager has sufficient coverage.

290 C. The bond or insurance policy obtained by the common interest community manager is
291 separate from any insurance policy required for associations under the Property Owners'
292 Association Act (§ 55.1-1800 et seq. of the Code of Virginia) or the Virginia Condominium Act (§
293 55.1-1900 et seq. of the Code of Virginia).

294 **18VAC48-50-35. Qualifications for certification as a certified principal or supervisory**
295 **employee effective July 1, 2012.**

296 ~~A. Principal or supervisory employees requiring certification pursuant to § 54.1-2346 of the~~
297 ~~Code of Virginia shall meet the requirements of this section and submit an application for~~
298 ~~certification on or after July 1, 2012. Each applicant for a principal or supervisory employee~~
299 ~~certificate must meet the requirements set forth in § 54.1-2346 of the Code of Virginia, and the~~
300 ~~additional qualifications of this section.~~

301 B. The applicant for certification shall must be at least 18 years of age.

302 C. The applicant for certification shall must have a high school diploma or its equivalent.

303 D. The applicant for certification shall must provide a mailing address. A post office box is
304 only acceptable as a mailing address when a physical address is also provided. The mailing
305 address provided shall will serve as the address of record.

306 E. In accordance with § 54.1-204 of the Code of Virginia, each applicant for certification
307 shall must disclose the following information:

308 1. All felony convictions.

309 2. All misdemeanor convictions, except marijuana convictions, ~~that occurred in any~~
310 ~~jurisdiction~~ within three years of the date of application.

311 3. ~~Any plea of nolo contendere or finding of guilt regardless of adjudication or deferred~~
312 ~~adjudication shall be considered a conviction for the purposes of this section. The record~~
313 ~~of conviction certified or authenticated in such form as to be admissible in evidence~~
314 ~~under the laws of the jurisdiction where convicted shall be admissible as prima facie~~
315 ~~evidence of such guilt.~~

316 The board, in its discretion, may deny licensure to an applicant in accordance with §
317 54.1-204 of the Code of Virginia.

318 F. The applicant for certification shall must be in compliance with the standards of conduct
319 and practice set forth in Part V (18VAC48-50-140 et seq.) of this chapter at the time of
320 application, while the application is under review by the board, and at all times when the
321 certificate is in effect.

322 ~~G. The applicant for certification shall be in good standing in Virginia and in every jurisdiction~~
323 ~~and with every board or administrative body where licensed, certified, or registered to provide~~
324 ~~management or related services; and the board, in its discretion, may deny certification to any~~
325 ~~applicant for certification who has been subject to any form of adverse disciplinary action,~~
326 ~~including reprimand, revocation, suspension or denial, imposition of a monetary penalty,~~
327 ~~requirement to complete remedial education, or any other corrective action, in any jurisdiction or~~
328 ~~by any board or administrative body or surrendered a license, certificate, or registration in~~
329 ~~connection with any disciplinary action in any jurisdiction prior to obtaining certification in~~
330 ~~Virginia.~~

331 G. The applicant for certification must report any disciplinary action taken by any board or
332 administrative body in any jurisdiction against a professional or occupational license,

333 certification, or registration issued to the applicant to include any reprimand, suspension,
334 revocation, or surrender of a license, certification, or registration, imposition of a monetary
335 penalty, or requirement to take remedial education or other corrective action. The board, in its
336 discretion, may deny certification to any applicant based on disciplinary action taken by any
337 board or administrative body in any jurisdiction.

338 H. The applicant for certification shall must provide all ~~relevant~~ information for the seven
339 years prior to application on any outstanding judgments, past-due tax assessments, defaults on
340 bonds, or pending or past bankruptcies, all as related to providing management services as
341 defined in § 54.1-2345 of the Code of Virginia. ~~The applicant for certification shall further~~
342 ~~disclose whether or not he was the subject of any adverse disciplinary action, including~~
343 ~~revocation of a license, certificate, or registration within the seven-year period immediately~~
344 ~~preceding the date of application.~~

345 I. An ~~The~~ applicant for certification ~~may be certified provided the applicant provides~~ must
346 provide proof to the board that the applicant meets one of the following:

- 347 1. Holds an active designation as a Professional Community Association Manager by
348 Community Associations Institute ~~and certifies having provided management services for~~
349 ~~a period of three months immediately preceding application;~~
- 350 2. Holds an active designation as a Certified Manager of Community Associations by the
351 ~~National Board of Certification for Community Association Managers~~ Community
352 Association Managers International Certification Board and certifies having two years of
353 experience in providing management services. ~~Of the required two years of experience,~~
354 ~~a minimum of six months of experience must have been gained immediately preceding~~
355 ~~application;~~

356 3. Holds an active designation as an Association Management Specialist by Community
357 Associations Institute and certifies having two years of experience in providing
358 management services. ~~Of the required two years of experience, a minimum of three~~
359 ~~months of experience must have been gained immediately preceding application; or~~

360 4. Has completed an introductory or comprehensive training program as set forth in
361 18VAC48-50-250 A or B and completed a Virginia common interest community laws and
362 regulations training module as described in 18VAC48-50-252, and passed a certifying
363 examination approved by the board and certifies having two years of experience in
364 providing management services. ~~Of the required two years of experience, a minimum of~~
365 ~~six months of experience must have been gained immediately preceding application.~~

366 J. The applicant for certification shall must provide the name of his the applicant's employing
367 common interest community manager, if applicable.

368 **18VAC48-50-37. ~~Licensure and certification by reciprocity~~ Firms or individuals licensed**
369 **or certified in another jurisdiction.**

370 A. The board may waive the requirements of ~~18VAC48-50-30 I, J, and L~~ 18VAC48-50-30 J
371 and K and issue a license as a common interest community manager to an applicant who holds
372 an active, current license, certificate, or registration in another state, the District of Columbia, or
373 any other territory or possession of the United States provided the requirements and standards
374 under which the license, certificate, or registration was issued are substantially equivalent to
375 those established in this chapter and related statutes.

376 B. ~~Effective July 1, 2012, the~~ The board may waive the requirements of 18VAC48-50-35 I
377 and issue a certificate as a certified employee to an applicant who holds an active, current
378 license, certificate, or registration in another state, the District of Columbia, or any other territory
379 or possession of the United States provided the requirements and standards under which the

380 license, certificate, or registration was issued are substantially equivalent to those established in
 381 this chapter and related statutes.

382 **18VAC48-50-40. Application denial.**

383 A. The board may refuse initial licensure or certification due to an applicant's failure to
 384 comply with entry requirements or for any of the reasons for which the board may discipline a
 385 regulant.

386 B. The applicant has the right to request further review of any such action by the board
 387 under the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia).

388 **18VAC48-50-50. General fee requirements.**

389 All fees are nonrefundable and ~~shall~~ will not be prorated. The date on which the fee is
 390 received by the department or its agent will determine whether the fee is on time. Checks or
 391 money orders ~~shall~~ must be made payable to the Treasurer of Virginia.

392 **18VAC48-50-60. Fee schedule.**

Fee Type	Fee Amount	Recovery Fund Fee* Assessment* (if applicable)	Total Amount Due	When Due
Initial Common Interest Community Manager Application	\$100 \$200	+ 25	\$125 \$225	With application
Common Interest Community Manager Renewal	\$100 \$200		\$100 \$200	With renewal application
Common Interest Community Manager Reinstatement (includes a \$200 reinstatement fee in addition to the regular \$100 renewal fee)	\$300		\$300	With renewal application
Certified Principal or	\$75		\$75	With application

Supervisory Employee Initial Application				
Certified Principal or Supervisory Employee Renewal	\$75		\$75	With renewal application
Certified Principal or Supervisory Employee Reinstatement (includes a \$75 reinstatement fee in addition to the regular \$75 renewal fee)	\$150		\$150	With renewal application
Training Program or Training Module Provider Initial Application	\$100		\$100	With application
Training Program or Training Module Provider Additional Program	\$50		\$50	With application
*In accordance with § 54.1-2354.5 of the Code of Virginia.				

393 **18VAC48-50-90. Renewal required.**

394 ~~A license~~ Licenses and certificates issued under this chapter shall will expire ~~one year~~ two
 395 years from the last day of the month in which it was issued. ~~A certificate issued under this~~
 396 ~~chapter shall expire two years from the last day of the month in which it was issued. A fee shall~~
 397 ~~be required for renewal.~~

398 **18VAC48-50-95. Training required for certified principal or supervisory employees.**

399 A. Each certified principal or supervisory employee must complete six contact hours of
 400 training, all as approved by the board pursuant to Part VI (18VAC48-50-230 et seq.) of this
 401 chapter, during each certificate renewal cycle in accordance with the requirements of this
 402 section.

403 B. Each certified principal or supervisory employee must complete two contact hours of
404 common interest community legal updates training, and two contact hours of fair housing
405 training.

406 C. In addition to the requirements of subsection B, each certified principal or supervisory
407 employee must complete two contact hours of training on any of the following subject areas as
408 they relate to common interest communities and associations:

- 409 1. Governance, legal matters, and communications;
- 410 2. Financial matters, including budgets, internal controls, and assessments;
- 411 3. Reserves, reserve studies, and investments;
- 412 4. Contracting;
- 413 5. Risk management and insurance;
- 414 6. Management ethics for common interest community managers;
- 415 7. Facilities maintenance;
- 416 8. Human resources; or
- 417 9. Diversity, equity, and inclusion.

418 **18VAC48-50-97. Maintenance of training records.**

419 Each certified principal or supervisory employee must maintain evidence of the satisfactory
420 completion of training for at least three years following the end of the certificate renewal cycle
421 for which the training was taken. Such documentation must be provided to the board or its duly
422 authorized agents upon request. The following must be maintained by the certificateholder to
423 document completion of the hours of training specified in 18VAC48-50-95:

- 424 1. Evidence of completion that must contain the name, address, and contact information
425 of the training provider;

- 426 2. The dates the certificate holder participated in the training;
- 427 3. Descriptive material of the subject matter presented documenting that it covers the
- 428 subject areas described in 18VAC48-50-95; and
- 429 4. A statement from the provider verifying the number of contact hours completed.

430 **18VAC48-50-100. ~~Expiration and~~ Procedures for renewal.**

431 A. Prior to the expiration date shown on the license, ~~licenses shall be renewed upon a~~

432 licensee desiring to renew a common interest community manager license must return to the

433 board (i) completion of the a completed renewal application, (ii) submittal of proof of current

434 bond or insurance policy as detailed in 18VAC48-50-30 E required by 18VAC48-50-30 F and

435 18VAC48-50-33, and (iii) payment of the fees the appropriate fee specified in 18VAC48-50-60.

436 B. Prior to the expiration date shown on the certificate, ~~certificates shall be renewed upon a~~

437 certificateholder desiring to renew a principal or supervisory employee certificate must return to

438 the board (i) completion of the a completed renewal application; (ii) submittal of proof of

439 completion of two six hours of fair housing training as it relates to the management of common

440 interest communities and two hours of Virginia common interest community law and regulation

441 training in accordance with 18VAC48-50-95, both as approved by the board and completed

442 within the two-year certificate period immediately prior to the expiration date of the certificate;

443 and (iii) payment of the fees the appropriate fee specified in 18VAC48-50-60.

444 C. The board will mail a renewal notice to the regulant. at the last known mailing address of

445 record. Failure to receive this notice shall does not relieve the regulant of the obligation to

446 renew. If the regulant fails to receive the renewal notice, a copy of the license or certificate may

447 be submitted with the required fees and any other required documentation as an application for

448 renewal. ~~By submitting an application for renewal, the regulant is certifying continued~~

449 compliance with the Standards of Conduct and Practice in Part V (18VAC48-50-140 et seq.) of
450 this chapter.

451 D. The date on which the renewal application is received by the department or its agent will
452 determine whether the renewal application was received on time. By submitting an application
453 for renewal, the regulant is certifying continued compliance with the Standards of Conduct and
454 Practice in Part V (18VAC48-50-140 et seq.) of this chapter.

455 ~~D.~~ E. Applicants for renewal shall must continue to meet all of the qualifications for licensure
456 and certification set forth in Part II (18VAC48-50-20 et seq.) of this chapter.

457 F. The board may conduct an audit of any regulant to ensure the regulant's continued
458 compliance with the requirements for licensure or certification, as applicable, established by
459 Chapter 23.3 of Title 54.1 of the Code of Virginia and this chapter.

460 **18VAC48-50-110. Reinstatement of common interest community manager license and**
461 **certified principal or supervisory employee certificate required.**

462 A. If all of the requirements for renewal of a license as specified in 18VAC48-50-100 A are
463 not completed within 30 days ~~of the license~~ after the expiration date on the license, the licensee
464 ~~shall~~ will be required to reinstate the license by meeting all renewal requirements and by paying
465 the reinstatement fee specified in 18VAC48-50-60.

466 B. If all of the requirements for renewal of a certificate as specified in 18VAC48-50-100 B
467 are not completed within 30 days ~~of the certificate~~ after the expiration date on the certificate, the
468 certificateholder ~~shall~~ will be required to reinstate the certificate by meeting all renewal
469 requirements and by paying the reinstatement fee specified in 18VAC48-50-60.

470 C. A license or certificate may be reinstated for up to ~~six months~~ one year following the
471 expiration date. After ~~six months~~ one year, the license or certificate may not be reinstated under

472 any circumstances and the firm or individual must apply as a new applicant and meet all current
473 entry requirements and apply as a new applicant at the time of submittal of the new application.

474 ~~D. Any regulated activity conducted subsequent to the license expiration date may constitute~~
475 ~~unlicensed activity and be subject to prosecution under Chapter 1 (§ 54.1-100 et seq.) of Title~~
476 ~~54.1 of the Code of Virginia.~~

477 **18VAC48-50-120. Status of license or certificate during the period prior to reinstatement.**

478 A. A regulant who applies for reinstatement of a license or certificate ~~shall~~ will be subject to
479 all laws and regulations as if the regulant had been continuously licensed or certified. The
480 regulant ~~shall~~ will remain under and be subject to the disciplinary authority of the board during
481 this entire period.

482 B. Any regulated activity conducted subsequent to the license or certificate expiration date
483 may constitute unlicensed activity and be subject to prosecution under Chapter 1 (§ 54.1-100 et
484 seq.) of Title 54.1 of the Code of Virginia.

485 **18VAC48-50-130. Board discretion to deny renewal or reinstatement.**

486 A. The board may deny renewal or reinstatement of a license or certificate for the same
487 reasons as the board may refuse initial licensure or certification pursuant to 18VAC48-50-40, or
488 discipline a regulant pursuant to 18VAC48-50-140.

489 B. The board may deny renewal or reinstatement of a license or certificate if the regulant
490 has been subject to a disciplinary proceeding by the board and has not met the terms of an
491 agreement for licensure or certification, has not satisfied all sanctions, or has not fully paid any
492 monetary penalties and costs imposed by the board.

493 C. The regulant has the right to request further review of any such action by the board under
494 the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia).

DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.

495 **18VAC48-50-140. Grounds for disciplinary action.**

496 The board may ~~place a regulant on probation,~~ impose a monetary penalty in accordance
497 with § 54.1-202 A of the Code of Virginia, or revoke, suspend, or refuse to renew any license or
498 certificate, or place a regulant on probation in accordance with § 54.1-201 A 7 of the Code of
499 Virginia, when the regulant has been found to have violated or cooperated with others in
500 violating any ~~provisions~~ provision of the regulations of the board or Chapter 23.3 (§ 54.1-2345 et
501 seq.) of Title 54.1 of the Code of Virginia.

502 **18VAC48-50-150. Maintenance of license or certificate.**

503 A. No license or certificate issued by the board ~~shall~~ may be assigned or otherwise
504 transferred.

505 ~~B. A regulant shall report, in writing, all changes of address to the board within 30 days of~~
506 ~~the change and shall return the license or certificate to the board. In addition to the address of~~
507 ~~record, a physical address is required for each license or certificate. If the regulant holds more~~
508 ~~than one license, certificate, or registration, the regulant shall inform the board of all licenses,~~
509 ~~certificates, and registrations affected by the address change.~~

510 ~~C. Any change in any of the qualifications for licensure or certification found in 18VAC48-50-~~
511 ~~30 or 18VAC48-50-35 shall be reported to the board within 30 days of the change.~~

512 B. A licensed common interest community manager must report to the board, in writing, any
513 change in the firm's name or trade or fictitious name within 30 days of the change. A certified
514 principal or supervisory employee must report to the board, in writing, any change in the
515 certificateholder's legal name within 30 days of the change. Such report must be accompanied
516 by documentation acceptable to the board that verified the name change.

517 C. A regulant must report to the board, in writing, any change of address, to include the
518 physical address, as applicable, within 30 days of the change. The board is not responsible for

519 the regulant's failure to receive notices, communications, and correspondence caused by the
520 regulant's failure to report to the board any change of address.

521 D. A licensee must report to the board, in writing, any change in the firm's principals,
522 qualifying individual, or responsible person within 30 days of the change.

523 ~~D. Notwithstanding the provisions of subsection C of this section, a~~ E. A licensee shall must
524 report to the board, in writing, the cancellation, amendment, expiration, or any other change of
525 any bond or insurance policy submitted in accordance with 18VAC48-50-30 E within five days of
526 the change.

527 F. A licensee that qualified for licensure pursuant to 18VAC48-50-30 J must report to the
528 board, in writing, any change in the status of the licensee's active designation as an Accredited
529 Association Management Company by the Community Associations Institute, to include loss of
530 such designation, within 30 days of the change.

531 ~~E. G.~~ A licensee shall must report to the board, in writing, the discharge or termination of
532 active status of an employee holding a certificate within 30 days of the discharge or termination
533 of active status.

534 ~~F. H.~~ A certified principal or supervisory employee shall must report to the board, in writing,
535 a change in employing common interest community manager within 30 days of the change.

536 I. A licensed common interest community manager must report to the board, in writing, any
537 change in the licensee's qualifications for licensure under 18VAC48-50-30 within 30 days of the
538 change. A certified principal or supervisory employee must report to the board, in writing, any
539 change in the certificateholder's qualifications for certification under 18VAC48-50-35 within 30
540 days of the change.

541 **18VAC48-50-160. Maintenance and management of accounts.**

542 ~~Licensed firms shall~~ A licensee must maintain all funds from associations received and held
543 on behalf of any association to which it provides management services in accordance with §
544 54.1-2353 A of the Code of Virginia. Funds that belong to such association or others that are
545 held as a result of the fiduciary relationship ~~shall~~ must be labeled as ~~such to clearly distinguish~~
546 ~~funds that belong to others from these funds of~~ maintained in a fiduciary trust account in an
547 FDIC-insured financial institution separate from the funds of the common interest community
548 manager or other associations managed by the common interest community manager.

549 **18VAC48-50-170. Change of business entity requires a new license.**

550 A. Licenses are issued to firms as defined in this chapter and are not transferable.
551 Whenever the legal business entity holding the license is dissolved or altered to form a new
552 business entity, the license becomes void and ~~shall~~ must be returned to the board within 30
553 days of the change. Such changes include ~~but are not limited to:~~

- 554 1. Cessation of the business or the voluntary termination of a sole proprietorship or
555 general partnership;
- 556 2. Death of a sole proprietor;
- 557 3. Formation, reformation, or dissolution of a general partnership, limited partnership,
558 corporation, limited liability company, association, or any other business entity
559 recognized under the laws of the Commonwealth of Virginia; or
- 560 4. ~~The suspension or~~ Suspension, revocation, termination of the corporation's existence
561 , or cancellation by the State Corporation Commission.

562 B. When a new firm is formed, the new firm ~~shall apply for~~ must obtain a new license ~~on a~~
563 ~~form provided by~~ from the board before engaging in any activity regulated by Chapter 23.3 (§
564 54.1-2345 et seq.) of Title 54.1 of the Code of Virginia or the regulations of the board.

565 **18VAC48-50-180. Notice of adverse action.**

566 A. ~~Licensed firms shall~~ A licensee must notify the board of the following actions against the
567 firm, the responsible person, the qualifying individual, and any principals of the firm:

568 1. Any disciplinary action taken by any jurisdiction, board, or administrative body of
569 competent jurisdiction, including any reprimand, ~~license or certificate~~ revocation,
570 suspension, or denial of a license, certificate, or registration, imposition of a monetary
571 penalty, or requirement ~~for~~ to take remedial education or other corrective action.

572 2. Any voluntary surrendering of a license, certificate, or registration done in connection
573 with a disciplinary action ~~in another~~ taken by any jurisdiction, board or administrative
574 body of competent jurisdiction.

575 3. Any conviction, finding of guilt, or plea of guilty, regardless of adjudication or deferred
576 adjudication, in any jurisdiction of the United States of any misdemeanor, except
577 marijuana convictions ~~involving moral turpitude, sexual offense, non-marijuana drug~~
578 ~~distribution, or physical injury~~, or any felony, there being no appeal pending therefrom or
579 the time for appeal having lapsed. Review of convictions ~~shall~~ will be subject to the
580 requirements of § 54.1-204 of the Code of Virginia. ~~Any plea of nolo contendere shall be~~
581 ~~considered a conviction for the purpose of this section.~~

582 B. ~~Certified~~ A certified principal or supervisory ~~employees shall~~ employee must notify the
583 board, and must notify the responsible person of the employing firm, if applicable, of the
584 following actions against the certified principal or supervisory employee:

585 1. Any disciplinary action taken by any jurisdiction, board, or administrative body of
586 competent jurisdiction, including any reprimand, ~~license or certificate~~ revocation,
587 suspension, or denial of a license, certificate, or registration, imposition of a monetary
588 penalty, or requirement ~~for~~ to take remedial education, or other corrective action.

589 2. Any voluntary surrendering of a license, certificate, or registration done in connection
590 with a disciplinary action ~~in another~~ taken by any jurisdiction, board, or administrative
591 body of competent jurisdiction.

592 3. Any conviction, finding of guilt, or plea of guilty, regardless of adjudication or deferred
593 adjudication, in any jurisdiction of the United States of any misdemeanor, except
594 marijuana convictions involving moral turpitude, sexual offense, non-marijuana drug
595 distribution, or physical injury, or any felony, there being no appeal pending therefrom or
596 the time for appeal having lapsed. Review of convictions ~~shall~~ will be subject to the
597 requirements of § 54.1-204 of the Code of Virginia. ~~Any plea of nolo contendere shall be~~
598 ~~considered a conviction for the purpose of this section.~~

599 C. The notice must be made given to the board, and to the responsible person of the
600 employing firm, when applicable, in writing within 30 days of the action. A copy of the order or
601 other supporting documentation must accompany the notice. ~~The record of conviction, finding,~~
602 ~~or case decision shall be considered prima facie evidence of a conviction or finding of guilt.~~

603 **18VAC48-50-190. Prohibited acts.**

604 The following acts are prohibited and any violation may result in disciplinary action by the
605 board:

606 1. Violating, inducing another to violate, or cooperating with others in violating any of the
607 provisions of any of the regulations of the board; Chapter 23.3 (§ 54.1-2345 et seq.) of
608 Title 54.1 of the Code of Virginia; or Chapter 18 (§ 55.1-1800 et seq.), Chapter 19 (§
609 55.1-1900 et seq.), or Chapter 21 (§ 55.1-2100 et seq.) of Title 55.1 of the Code of
610 Virginia or engaging in any acts enumerated in §§ 54.1-102 and 54.1-111 of the Code of
611 Virginia.

612 2. Allowing a license or certificate issued by the board to be used by another.

- 613 3. Obtaining or attempting to obtain a license or certificate by false or fraudulent
614 representation, or maintaining, renewing, or reinstating a license or certificate by false or
615 fraudulent representation; or furnishing substantially inaccurate or incomplete
616 information to the board in obtaining, renewing, reinstating, or maintaining a license or
617 certificate.
- 618 4. A regulant having been convicted, found guilty, or disciplined in any jurisdiction of any
619 offense or violation enumerated in 18VAC48-50-180.
- 620 5. Failing to inform the board, and the responsible person of the employing firm, if
621 applicable, in writing within 30 days that the regulant was convicted, found guilty, or
622 disciplined in any jurisdiction of any offense or violation enumerated in 18VAC48-50-180.
- 623 6. Failing to report a change as required by 18VAC48-50-150 or 18VAC48-50-170.
- 624 7. ~~The intentional and unjustified failure to comply with the terms of the management~~
625 ~~contract, operating agreement, or association governing documents~~ Operating or
626 advertising in any name other than the name in which the license or certificate was
627 issued.
- 628 8. ~~Engaging in dishonest or fraudulent conduct in providing management services~~
629 Failure to use a contract that complies with 18VAC48-50-195.
- 630 9. ~~Failing to satisfy any judgments or restitution orders entered by a court or arbiter of~~
631 ~~competent jurisdiction~~ Failing to disclose to the association material facts related to the
632 association's property or concerning management services of which the regulant has
633 actual knowledge.
- 634 10. ~~Egregious or repeated violations of generally accepted standards for the provision of~~
635 ~~management services~~ Failing upon written request of the association to provide
636 association books and records such that the association can perform pursuant to §§

637 55.1-1815 (Property Owners' Association Act), 55.1-1945 (Virginia Condominium Act),
638 and 55.1-2151 (Virginia Real Estate Cooperative Act) of the Code of Virginia.

639 ~~11. Failing to handle association funds in accordance with the provisions of § 54.1-2353~~
640 ~~A of the Code of Virginia or 18VAC48-50-160~~ Failing to provide complete records related
641 to the association's management services to the association within 30 days of any
642 written request by the association or within 30 days of the termination of the contract
643 unless otherwise agreed to in writing by both the association and the common interest
644 community manager.

645 ~~12. Failing to account in a timely manner for all money and property received by the~~
646 ~~regulant in which the association has or may have an interest~~ Failing to handle
647 association funds in accordance with the provisions of § 54.1-2353 A of the Code of
648 Virginia or 18VAC48-50-160 or .

649 ~~13. Failing to disclose to the association material facts related to the association's~~
650 ~~property or concerning management services of which the regulant has actual~~
651 ~~knowledge~~ Failing to account in a timely manner for all money and property received by
652 the licensee in which the association has or may have an interest.

653 ~~14. Failing to provide complete records related to the association's management~~
654 ~~services to the association within 30 days of any written request by the association or~~
655 ~~within 30 days of the termination of the contract unless otherwise agreed to in writing by~~
656 ~~both the association and the common interest community manager~~ Commingling the
657 funds of any association by the firm's principal, employees, or associates with the
658 principal's own funds, those of the firm, or any other association managed by the
659 common interest community manager.

660 15. ~~Failing upon written request of the association to provide books and records such~~
661 ~~that the association can perform pursuant to §§ 55.1-1815 (Property Owners'~~
662 ~~Association Act), 55.1-1945 (Virginia Condominium Act), and 55.1-2151 (Virginia Real~~
663 ~~Estate Cooperative Act) of the Code of Virginia~~ Failing to act in providing management
664 services in a manner that safeguards the interests of the public.

665 16. ~~Commingling the funds of any association by a principal, his employees, or his~~
666 ~~associates with the principal's own funds or those of his firm~~ The unjustified failure to
667 comply with the terms of the management contract, or association governing documents.

668 17. ~~Failing to act in providing management services in a manner that safeguards the~~
669 ~~interests of the public~~ Engaging in improper, dishonest, or fraudulent conduct in
670 providing management services.

671 18. ~~Advertising in any name other than the name in which licensed~~ Failing to satisfy any
672 judgment or restitution order entered by a court or arbiter of competent jurisdiction, or as
673 agreed upon in mediation.

674 19. Failing to make use of a legible, written contract clearly specifying the terms and
675 conditions of the management services to be performed by the common interest
676 community manager; comply with the requirements of 18VAC48-50-220. ~~The contract~~
677 ~~shall include the following:~~

- 678 a. ~~Beginning and ending dates of the contract;~~
- 679 b. ~~Cancellation rights of the parties;~~
- 680 c. ~~Record retention and distribution policy;~~
- 681 d. ~~A general description of the records to be kept and the bookkeeping system to be~~
682 ~~used; and~~

683 e. ~~The common interest community manager's license number.~~

684 20. ~~Performing management services or accepting payments prior to the signing of the~~
685 ~~contract by an authorized official of the licensed firm and the client or the client's authorized~~
686 ~~agent.~~

687 **18VAC48-50-195. Management services contracts.**

688 A. For the protection of both the association and the licensee, a licensee must make use of
689 legible, written contract clearly specifying the terms and conditions of the management services
690 to be performed by the licensee. Prior to the performing of management services or acceptance
691 of payments, the contract must be signed by an authorized official of the association, or an
692 authorized agent of the association, and an authorized official of the licensee. The licensee
693 must make prompt delivery to the association, or the association's authorized agent, a fully
694 executed copy of the contract in compliance with this section before providing management
695 services. Any modification to the contract which changes the cost, term of the contract,
696 cancellation rights of the parties, or scope of management services to be provided must be in
697 writing and signed by all parties.

698 B. At a minimum, the written contract must include:

- 699 1. The common interest community manager's license number;
700 2. Beginning and ending dates of the contract;
701 3. Cancellation rights of the parties;
702 4. Record retention and distribution policy;
703 5. A general description of the records to be kept and the bookkeeping system to be
704 used;

DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.

705 6. Insurance requirements for both the common interest community manager and the
706 association; and

707 7. Disclosure of relationships with other firms that provide services to common interest
708 communities, or to either of the parties, that may give rise to a conflict of interest for the
709 common interest community manager.

710 **18VAC48-50-200. Establishment of code of conduct.**

711 The ~~firm shall~~ licensee must establish and distribute to the firm's employees, principals, and
712 agents a written code of conduct to address business practices ~~including~~ , to include the
713 appropriateness of giving and accepting gifts, bonuses, or other remuneration to and from
714 common interest communities or providers of services to common interest communities. In
715 accordance with clause (ii) of § 54.1-2346 E of the Code of Virginia, the code of conduct for
716 officers, directors, and employees ~~shall~~ must also address disclosure of relationships with other
717 firms that provide services to common interest communities and that may give rise to a conflict
718 of interest.

719 **18VAC48-50-205. Remuneration.**

720 Unless authorized in writing by the governing board of the association, no common interest
721 community manager may accept remuneration from vendors, independent contractors, service
722 providers, or others providing goods or services to the association, whether in the form of
723 commissions, finders fees, services fees, discounts, or otherwise.

724 **18VAC48-50-210. Establishment of internal accounting controls.**

725 The ~~firm shall~~ licensee must establish written internal accounting controls to provide
726 adequate checks and balances over the firm's financial activities and to manage the risk of fraud
727 and illegal acts. The internal accounting controls ~~shall~~ must be in accordance with generally
728 accepted accounting practices.

729 **18VAC48-50-220. Response to inquiry and provision of records.**

730 A. A regulant must respond, in writing, within 10 days to a request by the board or any of its
731 agents regarding any complaint filed with the department.

732 B. Unless otherwise specified by the board or its agent, a regulant of the board shall must
733 produce to the board or any of its agents within 10 days of the request any document, book, or
734 record concerning any transaction pertaining to a complaint filed in which the regulant was
735 involved, or for which the regulant is required to maintain records for inspection and copying by
736 the board or its agents. The board or its agent may extend such time frame upon a showing, in
737 writing, of extenuating circumstances prohibiting delivery within such 10-day period.

738 C. A regulant shall must not provide a false, misleading, or incomplete response to the
739 board or any of its agents seeking information in the investigation of a complaint filed with the
740 board.

741 D. With the exception of the requirements of subsections A and B of this section, a regulant
742 must respond, in writing, to an inquiry by the board or its agent within 21 days.

743 **18VAC48-50-225. Regulant's responsibility.**

744 A. The primary obligation of the regulant is to the public.

745 B. A regulant must not knowingly associate in a business venture with, or permit the use of
746 the regulant's name by, any person or firm where there is reason to believe that person or firm is
747 engaging in activity of a fraudulent or dishonest nature or is violating any law or regulation of the
748 board.

749 C. A regulant who has direct knowledge that another individual or firm may have violated, or
750 may be violating, any provision of this chapter, or the provisions of Chapter 23.3 (§ 54.1-2345 et
751 seq.) of Title 54.1 of the Code of Virginia, or Chapters 18 (§ 55.1-1800 et seq.), 19 (§ 55.1-1900
752 et seq.), or 21 (§ 55.1-2100 et seq.) of Title 55.1 of the Code of Virginia must immediately inform

753 the board in writing and must cooperate in furnishing any further information or assistance that
754 may be required by the board or any of its agents.

755 Part VI

756 Training Programs, Training Modules, and Examination

757 **18VAC48-50-230. Training programs generally.**

758 All training programs and training modules proposed for the purposes of meeting the
759 requirements of this chapter must be approved by the board. ~~Any or all of the approved~~
760 Approved training programs ~~can be met~~ and training modules may be delivered using distance,
761 virtual, or online education technology. Training programs and training modules may be
762 approved retroactively; however, no applicant will receive credit for the training program or
763 training module until such approval is granted by the board.

764 **18VAC48-50-240. Approval of common interest community manager training programs**
765 **and training modules.**

766 Each provider of a training program ~~shall~~ or training module must submit an application for
767 program or module approval on a form provided by the board. In addition to the appropriate fee
768 provided in 18VAC48-50-60, the application ~~shall~~ must include ~~but is not limited to:~~

- 769 1. The name of the provider;
- 770 2. Provider contact person, address, and telephone number;
- 771 3. Program or module contact hours;
- 772 4. ~~Schedule of training program, if established, including dates, times, and locations~~
773 Method of delivery;
- 774 5. Instructor information, including name, license or certificate number(s), if applicable,
775 and a list of trade-appropriate designations, as well as a professional resume with a

776 summary of teaching experience and subject-matter knowledge and qualifications
777 acceptable to the board;

778 6. A summary of qualifications and experience in providing training under this chapter;

779 7. ~~Training program and material fees~~ Materials to be provided to participants; and

780 8. Fees for the training program or module and materials; and

781 ~~8.~~ 9. Training program or module syllabus.

782 **18VAC48-50-250. Introductory and comprehensive training program requirements.**

783 A. In order to qualify as an introductory training program under 18VAC48-50-30 or
784 18VAC48-50-35, the introductory training program must include a minimum of 16 contact hours
785 and the syllabus ~~shall~~ must encompass all of the subject areas set forth in subsection C of this
786 section.

787 B. In order to qualify as a comprehensive training program under 18VAC48-50-30 or
788 18VAC48-50-35, the comprehensive training program must include a minimum of 80 contact
789 hours and the syllabus ~~shall~~ must include at least 40 contact hours encompassing all of the
790 subject areas set forth in subsection C of this section and may also include up to 40 contact
791 hours in other subject areas approved by the board.

792 C. The following subject areas as they relate to common interest communities and
793 associations ~~shall~~ must be included in all comprehensive and introductory training programs.
794 The time allocated to each subject area must be sufficient to ensure adequate coverage of the
795 subject as determined by the board.

796 1. Governance, legal matters, and communications;

797 2. Financial matters, including budgets, reserves, investments, internal controls, and
798 assessments;

- 799 3. Contracting;
- 800 4. Risk management and insurance;
- 801 5. Management ethics for common interest community managers;
- 802 6. Facilities maintenance; and
- 803 7. Human resources.

804 D. All in accordance with subdivisions A 2 and A 3 of § 54.1-2349 of the Code of Virginia,
805 introductory and comprehensive training programs are required to have a final, written
806 examination.

807 **18VAC48-50-252. Virginia common interest community laws and regulations training**
808 **module.**

809 A. In order to qualify as a Virginia common interest community laws and regulations training
810 module under 18VAC48-50-30 and 18VAC48-50-35, the training module must include a
811 minimum of four contact hours, and the syllabus must encompass all of the subject areas set
812 forth in subsection B of this section.

813 B. The following subject areas must be included in all Virginia common interest community
814 laws and regulations training modules. The time allocated to each subject area must be
815 sufficient to ensure adequate coverage of the subject as determined by the board.

816 1. Overview of Virginia common interest community statutes and regulations.

817 a. Property Owners' Association Act (Chapter 18 of Title 54.1 of the Code of
818 Virginia).

819 b. Virginia Condominium Act (Chapter 19 of Title 54.1 of the Code of Virginia).

820 c. Virginia Real Estate Cooperative Act (Chapter 22 of Title 54.1 of the Code of
821 Virginia).

- 822 d. Horizontal Property Act (Chapter 20 of Title 54.1 of the Code of Virginia) and
823 Subdivided Land Sales Act (Chapter 23 of Title 54.1 of the Code of Virginia).
- 824 e. Chapter 23.3 of Title 54.1 of the Code of Virginia.
- 825 f. Common Interest Community Manager Regulations (18VAC48-50).
- 826 g. Common Interest Community Association Registration Regulations (18VAC48-60).
- 827 h. Common Interest Community Ombudsman Regulations (18VAC48-70).
- 828 i. Roles and responsibilities of the Common Interest Community Board.
- 829 j. Governance, operation, and administration of common interest communities.
- 830 2. Virginia requirements for the operation and management of associations.
- 831 a. Access to association books and records.
- 832 b. Meetings of members, governing boards, committees, and sub-committees.
- 833 (1) Notice of meeting.
- 834 (2) Rights of owners to attend and comment.
- 835 (3) Executive session.
- 836 (4) Elections and voting, including proxies, absentee ballots, and in-person voting.
- 837 (5) Minutes of meetings.
- 838 (6) Guidelines for virtual meetings.
- 839 c. Budgets, assessments, and reserves.
- 840 (1) Budgets and assessments.
- 841 (2) Reserves and reserve studies.
- 842 (3) Additional and special assessments, and fees for services.

- 843 (4) Declarant assessments and bonds for condominiums.
- 844 d. Management of common areas and common elements.
- 845 e. Adoption and enforcement of rules.
- 846 f. Association registration and annual reports.
- 847 3. Virginia fair housing laws as related to common interest communities.
- 848 4. Resale of lots or units.
- 849 (1) Process and time frames; inspections.
- 850 (2) Contents of disclosure packets and resale certificates.
- 851 (3) Fees for preparation of disclosure packets and resale certificates.
- 852 5. Common interest community association complaint procedure.
- 853 (1) Role of the office of the common interest community ombudsman.
- 854 (2) Requirements for association complaint procedure.
- 855 (3) Records of complaints.
- 856 (3) Final adverse decisions.
- 857 6. Standards of conduct and practice for common interest community managers.
- 858 (1) Section 54.1-2353 of the Code of Virginia.
- 859 (2) Part V (18VAC48-50-140 et seq.) of Common Interest Community Manager
- 860 Regulations.

861 **18VAC48-50-253. Virginia common interest community ~~law and regulation~~ legal updates**
862 **training program requirements.**

863 A. In order to qualify as a Virginia common interest community ~~law and regulation~~ legal
864 updates training program for renewal of certificates issued by the board, the common interest
865 community ~~law and regulation~~ legal updates program must include a minimum of ~~two~~ one
866 contact hours hour and the syllabus ~~shall~~ must encompass ~~updates to Virginia laws and~~
867 regulations directly related to common interest communities the topics set forth in subsection B
868 of this section, and may include the topics set forth in subsection C of this section. The time
869 allocated to each subject area must be sufficient to ensure adequate coverage of the subject as
870 determined by the board.

871 B. All common interest community legal updates training programs must include legal
872 updates directly related to common interest communities to include as applicable:

- 873 1. Changes to statutes or regulations;
874 2. Recent court decisions; and
875 3. Recent significant determinations of the Common Interest Community Ombudsman.

876 C. A common interest community legal updates training program may include other legal
877 topics or legal updates that pertain to common interest communities.

878 **18VAC48-50-255. Fair housing training program requirements.**

879 In order to qualify as a fair housing training program for renewal of certificates issued by the
880 board, the fair housing training program must include a minimum of ~~two~~ one contact hours hour
881 and the syllabus ~~shall~~ must encompass updates to Virginia fair housing laws ~~and any updates,~~
882 all as related to common interest communities.

883 **18VAC48-50-256. Miscellaneous topics training programs.**

884 In order to qualify as a training program for training required by subsection C of 18VAC48-
885 50-95, the training program must include a minimum of one contact hour and cover any of the
886 following subject areas as they relate to common interest communities:

- 887 1. Governance, legal matters, and communications;
888 2. Financial matters, including budgets, internal controls, and assessments;
889 3. Reserves, reserve studies, and investments;
890 4. Contracting;
891 5. Risk management and insurance;
892 6. Management ethics for common interest community managers;
893 7. Facilities maintenance;
894 8. Human resources; or
895 9. Diversity, equity, and inclusion.

896 The time allocated to each subject area must be sufficient to ensure adequate coverage of
897 the subject as determined by the board.

898 **18VAC48-50-257. Documentation of training program and training module completion**
899 **required.**

900 All training program and training module providers must provide each ~~student~~ participant
901 with a certificate of training program or training module completion, as applicable, or other
902 documentation that the ~~student~~ participant may use as proof of training program or training
903 module completion. Such documentation ~~shall~~ must contain the contact hours completed.

904 **18VAC48-50-260. Maintenance of records.**

905 All providers must establish and maintain a record for each ~~student~~ participant. The record
906 ~~shall~~ must include the ~~student's~~ participant's name and address, the training program or training
907 module name and hours attended, the training program or training module syllabus or outline,
908 the name or names of the instructors, the date of successful completion, and the board's
909 approved training program ~~code~~ or module identification number. Records ~~shall~~ must be
910 available for inspection during normal business hours by authorized representatives of the
911 board. Providers must maintain these records for a minimum of five years.

912 **18VAC48-50-270. Reporting of changes.**

913 Any change in the information provided in 18VAC48-50-240 must be reported to the board,
914 in writing, within 30 days of the change ~~with the exception of changes in the schedule of training~~
915 ~~program offerings, which must be reported within 10 days of the change.~~ Any change in
916 information submitted will be reviewed to ensure compliance with the provisions of this chapter.

917 **18VAC48-50-275. Board authority to audit approved training programs and training**
918 **providers.**

919 The board may conduct an audit of any board-approved training program or module or
920 training program provider to ensure continued compliance with this chapter.

921 **18VAC48-50-280. Withdrawal of approval.**

922 The board may withdraw approval of any training program or training module for the
923 following reasons:

- 924 1. The training program or training module being offered no longer meets the standards
925 established by the board.

926 2. The provider, through an agent or otherwise, advertises its services in a fraudulent or
927 deceptive way.

928 3. The provider, instructor, or designee of the provider falsifies any information relating to
929 the application for approval, training program or module information, or ~~student~~
930 participant records or fails to produce records required by 18VAC48-50-260.

931 4. A change in the information provided that results in noncompliance with 18VAC48-50-
932 240, ~~except for subdivision 4 of 18VAC48-50-240.~~

933 5. Failure to comply with 18VAC48-50-270.

934 **~~18VAC48-50-290. Examinations. (Repealed.)~~**

935 ~~All examinations required for licensure or certification shall be approved by the board and~~
936 ~~administered by the board, a testing service acting on behalf of the board, or another~~
937 ~~governmental agency or organization.~~

OTHER BUSINESS

*DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.*

COMPLETE CONFLICT OF INTEREST
FORMS AND
TRAVEL VOUCHERS

*DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.*

ADJOURN

Please return your document folders to Rachel Harris.

*DRAFT AGENDA
Materials contained in this agenda are proposed topics for discussion and are not to be construed as regulation or official Board position.*