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Exempt Action: Final Regulation Agency Background Document

Agency name	Real Estate Board
Virginia Administrative Code (VAC) Chapter citation(s)	18 VAC135-20
VAC Chapter title(s)	Virginia Real Estate Board Licensing Regulations
Action title	Amendments to reflect Chapter 426 (2021 Sp. Sess. I)
Final agency action date	July 15, 2021
Date this document prepared	August 3, 2021

Although a regulatory action may be exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the *Code of Virginia*, the agency is still encouraged to provide information to the public on the Regulatory Town Hall using this form. However, the agency may still be required to comply with the Virginia Register Act, Executive Order 14 (as amended, July 16, 2018), the Regulations for Filing and Publishing Agency Regulations (1VAC7-10), and the *Form and Style Requirements for the Virginia Register of Regulations and Virginia Administrative Code*.

Brief Summary

Provide a brief summary (preferably no more than 2 or 3 paragraphs) of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation). Alert the reader to all substantive matters. If applicable, generally describe the existing regulation.

The Real Estate Board is amending an existing regulation to conform to HB 2229, enacted by the General Assembly during the 2021 Special Session I. The legislation, effective July 1, 2021, enumerates conditions for real estate licensees handling rental agreements in the event that a dwelling unit used as a single-family residence is foreclosed upon and there is a tenant in such dwelling unit on the date of the foreclosure sale.

Regulation 18 VAC 130-20-180, concerning the maintenance and management of escrow accounts, contains language that must be updated to reflect the statutory changes to § 54.1-2108.1 of the Code of Virginia. This action conforms the regulation to the law and is exempt from the Administrative Process Act because there is no agency discretion pursuant to § 2.2-4006(A)(4)(a) of the Code of Virginia.

Mandate and Impetus

Identify the mandate for this regulatory change and any other impetus that specifically prompted its initiation (e.g., new or modified mandate, internal staff review, petition for rulemaking, periodic review, or board decision). "Mandate" is defined as "a directive from the General Assembly, the federal government, or a court that requires that a regulation be promulgated, amended, or repealed in whole or part."

The General Assembly enacted Chapter 426 during its 2021 Special Session I, thus mandating the Real Estate Board update the regulation derived from the amended statute (§ 54.1-2108.1) to conform to the changes.

Statement of Final Agency Action

Provide a statement of the final action taken by the agency including: 1) the date the action was taken; 2) the name of the agency taking the action; and 3) the title of the regulation.

At its meeting on July 15, 2021, the Real Estate Board adopted this exempt action to amend the Virginia Real Estate Board Licensing Regulations.