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Exempt Action: Final Regulation Agency Background Document

Agency name	Real Estate Board
Virginia Administrative Code (VAC) Chapter citation(s)	18VAC135-20
VAC Chapter title(s)	Virginia Real Estate Board Licensing Regulations
Action title	HB 917 & SB 358 Amendment
Final agency action date	May 16, 2024
Date this document prepared	July 19, 2024

This information is required for executive branch review pursuant to Executive Order 19 (2022) (EO 19), any instructions or procedures issued by the Office of Regulatory Management (ORM) or the Department of Planning and Budget (DPB) pursuant to EO 19. In addition, this information is required by the Virginia Registrar of Regulations pursuant to the Virginia Register Act (§ 2.2-4100 et seq. of the Code of Virginia). Regulations must conform to the Regulations for Filing and Publishing Agency Regulations (1 VAC 7-10), 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.

This action amends the Virginia Real Estate Board Licensing Regulations to conform to changes resulting from the enactment of Chapters 459 and 621 of the 2024 Acts of Assembly.

The legislation adds to the definition of "real estate broker" any individual or business entity who sells or offers to sell, buys or offers to buy, negotiates, or otherwise deals in real estate contracts, including assignable contracts, on two or more occasions in any 12-month period for compensation or valuable consideration. The legislation also makes technical changes to Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1 of the Code of Virginia, including the repeal of § 54.1-2101.

The proposed amendments make technical changes to the regulation to conform applicable provisions of the regulation to the legislation. References to the repealed § 54.1-2101 in the regulation are removed from the regulation.

This action is exempt from the Administrative Process Act under § 2.2-4006(A)(4)(a) of the Code of Virginia, which states, in part:

A. The following agency actions otherwise subject to this chapter and § 2.2-4103 of the Virginia Register Act shall be exempted from the operation of this article:

4. Regulations that are:

a. Necessary to conform to changes in Virginia statutory law or the appropriation act where no agency discretion is involved.

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). For purposes of executive branch review, "mandate" has the same meaning as defined in the ORM procedures, "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."

In April 2024, the Governor approved Chapters 459 (HB 917) and 621 (SB 358) of the 2024 Acts of Assembly, adds a provision to the definition of "real estate broker" in Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1 of the Code of Virginia. The legislation repeals § 54.1-2101. The legislation became effective on July 1, 2024.

The purpose of this regulatory change is to implement and comply with changes to the Code of Virginia resulting from the passage of HB 917 and SB 358 during the 2024 General Assembly Session.

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.

On May 16, 2024, the Real Estate Board adopted the amendments to the Virginia Real Estate Board Licensing Regulations.