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2026 Virginia Legislative Update June 2026

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The Virginia General Assembly was busy during its recent 407th session. The session adjourned on May 14, 2026, with over 2,300 bills having been introduced and 1,156 bills passing both chambers, heading next to the Governor for action. The Governor has until May 22, 2026, to sign into law or veto the bills. This memorandum highlights some of the more impactful legislation which is going into effect, or which was passed over to the 2027 session but may be of interest to common interest community stakeholders.

Passed Legislation

HB 444 – Uniform Consumer Debt Default Judgements Act

The Uniform Consumer Debt Default Judgments Act creates new requirements before a default judgment may be awarded in lawsuits involving certain consumer debts. Those requirements could include specific disclosures and forms set forth in the lawsuit which detail the nature of the claimed debt. This legislation contains a broad definition of consumer debt which would likely be interpreted to include property owners association and condominium assessments. Often times, association debt collection cases do involve the entry of default judgments and therefore, if this legislation is applied to common interest community assessments, it will likely cause increased legal fees and costs, burdens, and delays in the debt collection process, which impacts the overall expenses of common interest communities. Advocates for exclusions of assessments from this legislation justify such upon the concept that assessment debt is more like tax debt which is levied for the betterment and support of the collective.

The bill was enrolled but with a delayed enactment date of July 1, 2027, which allows for ongoing efforts to incorporate changes before the law goes into effect. We will continue to monitor this legislation and if the bill goes into law without changes, legal counsel for associations will need to evaluate and update collections procedures.

SB 246 / HB 439 – Virginia Nonstock Corporation Act

This passed legislation amends the Virginia Nonstock Corporation Act, which is applicable to many common interest communities that are also incorporated. The bill was introduced with the work of the Virginia State Bar to implement comprehensive modernization updates to the Act which had not

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been updated in many years. Some of the more impactful changes for common interest communities include:

1. Clarity related to the hierarchy and interplay between the nonstock corporate legal instruments (Articles of Incorporation and Bylaws) and Declarations/Condominium Instruments which form a condominium, cooperative or property owners' association.
2. An entirely new ratification of defective corporate acts provision, creating a corrective mechanism available to boards and membership when a corporate action was initially enacted improperly.
3. Updated digital/electronic modernization tools for meetings, voting and proxies.
4. Creation of a derivative action remedy in the nonstock corporate entity context which generally is a lawsuit brought by a member on behalf of the corporation, not for their personal benefit but rather to enforce a right that belongs to the corporation.
5. Clear and improved judicial remedies to issue orders related to validity of elections, director/officer status (including removal), member votes.

More detail about the specific impactful changes is below:

1. § 13.1-814.1. Special provisions for community associations.

Specifically, the Act was amended to note that to the extent there is a conflict or inconsistency between a community association's declaration, or condominium instruments, and its articles of incorporation or bylaws regarding (i) member liability for dues, assessments, and fees levied by the community association or (ii) membership in the community association, as well as resignation or suspension thereof, the community association's declaration or condominium instruments shall control. And, that the provisions of the Nonstock Act shall not be construed to affect the validity of or supersede any provision of a community association's declaration or condominium instruments. Prior to these changes, there could be ambiguity and confusion about possible conflicts between the legal documents, and members being able to unilaterally terminate their membership obligations or status, which is not consistent with the concept of restrictive covenants.

2. § 13.1-814.4. Ratification of defective corporate actions.

This entirely new provision creates a new mechanism to corrective defective corporate actions. It creates authorities and processes for boards and members of a nonstock entity to ratify defective corporate actions, which could have been valid but were not properly effectuated. The process and

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approval requirements applicable to the specific ratification depends upon the original proposed action. Once a defective corporation action is ratified it is deemed a valid corporate action effective as of the date of the defective corporate action. And, any corporate action taken subsequent to and reliance upon a defective corporate action once ratified and corrected, is also valid as of the time taken.

3. 13.1-827. Emergency powers.

A new provision was added to address emergency situations which would allow the Board to take “any action” it determines to be practical and necessary to address circumstances of the emergency with respect to a meeting of members notwithstanding anything to the contrary in this chapter, the articles of incorporation, or bylaws, including to postpone any such meeting to a later time or date, with the record date for determining the members entitled to notice of, and to vote at, such meeting applying to the postponed meeting irrespective of § 13.1-844, unless the board of directors fixes a new record date.

4. 13.1-837. Members.

A new provision was added to state as follows: “No member shall be personally liable for any liabilities of the corporation, including liabilities arising from the acts of the corporation.” This provision could be impactful for members to rest assured that the liabilities of a common interest community will not become their personal responsibility.

5. 13.1-837.1. Member's liability for dues, assessments, and fees.

This new provision states:

- A. A corporation may levy dues, assessments, and fees on its members to the extent authorized in the articles of incorporation or bylaws. Dues, assessments, and fees may be imposed on members of the same class either alike or in different amounts or proportions, and may be imposed on a different basis on different classes of members. Members of a class may be made exempt from dues, assessments, and fees to the extent provided in the articles of incorporation or bylaws.
- B. The amount and method of collection of dues, assessments, and fees may be fixed in the articles of incorporation or bylaws, or the articles

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of incorporation or bylaws may authorize the board of directors or members to fix the amount and method of collection.

- C. The articles of incorporation or bylaws may provide reasonable means, such as termination or suspension of membership, to enforce the collection of dues, assessments, and fees.

Note, these provisions remain applicable to common interest communities and may assist in assessment and collections processes but may not conflict with or supersede the terms of the declaration or condominium instruments.

6. 13.1-842. Notice of meeting.

A new provision related to membership meetings was added to state, “if the board of directors has authorized participation for members by means of remote communication pursuant to § 13.1-844.2, the notice to the member shall describe the means of remote communication to be used.”

7. § 13.1-846. Voting entitlement of members.

Amendments were made to empower the Board to determine if an election of the board by the members shall be conducted by mail in ballots only, via electronic or physical means. Before the change, the Bylaws had to provide for this specifically.

8. 13.1-847. Proxies.

Changes were made to allow for more flexibility and clarity related to submission of proxy votes and appointments via electronic transmission.

9. § 13.1-852.01. Judicial determination of corporate offices and review of elections and member votes.

This newly added provision empowers a circuit court to enter determinations upon: 1) The result or validity of the election, appointment, removal, or resignation of a director or officer of the corporation; 2.) The right of an individual to hold the office of director or officer of the corporation; 3.) The result or validity of any vote by the members of the corporation; 4.) The right of a director to membership on a committee of the board of directors; and 5.) The right of a person to nominate, or an individual to be nominated as, a candidate for election or appointment as a director of the corporation, and any right under any provision of the articles of incorporation, bylaws, a contract, or applicable law.

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10. § 13.1-861.1. Removal of directors by judicial proceeding.

With this new provision, a circuit court may remove a director from office, and may bar the director from reelection for a period prescribed by the court, in a proceeding commenced by or in the right of the corporation if the court finds that (i) the director engaged in fraudulent conduct with respect to the corporation or its members, grossly abused the position of director, or intentionally inflicted harm on the corporation and (ii) considering the director's course of conduct and the inadequacy of other available remedies, removal would be in the best interest of the corporation.

11. § 13.1-869. Committees.

A new provision was added to give more flexibility to nonstock common interest community entities, to create advisory, non-fiduciary committees, even if the governing documents do not provide for such. It states in part: “A corporation may establish or authorize the establishment of one or more advisory committees whose members need not be directors. An advisory committee (i) is not a committee of the board of directors, (ii) shall not exercise any of the powers of the board of directors, and (iii) shall have no fiduciary duties or other responsibility to the corporation.”

HB 1426 - Limitations on enforcement of judgments; docketing of general district court judgments in the circuit court.

This bill as originally introduced would have prevented any judgment holder of a General District Court judgment entered on or after July 1, 2026, from docketing the judgment in the Circuit court to allow the period for enforcement to be extended through renewal which is a process permitted for Circuit Court judgments. The law could have reduced the period for enforcement of the most common judgments most common interest communities obtain to collect their assessments from 20 to 10 years. Fortunately, the final passed bill, applied the limitations on General District Court Judgments to only debt buyer judgments, sparing common interest communities from this legislative change.

More detail about this change is below:

1. § 8.01-251. Limitations on enforcement of judgments.

No execution shall be issued and no action brought on a judgment dated, extended, or renewed, prior to July 1, 2021, including a judgment in favor of the Commonwealth and a judgment rendered in another state or country, after 20 years from the date of such judgment or domestication of such judgment or 20 years from the date of such extension or renewal of such judgment, whichever is

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later, unless the period is extended as provided in this section. No execution shall be issued and no action brought on a judgment dated on or after July 1, 2021, including a judgment in favor of the Commonwealth and a judgment rendered in another state or country, after 10 years from the date of such judgment or domestication of such judgment, unless the period is extended as provided in this section, except that no execution shall be issued and no action brought on a judgment dated on or after July 1, 2021, that was created by nonpayment of child support after 20 years from the date of such judgment or domestication of such judgment.

2. 16.1-94.1. Limitations on enforcement of district court judgments.

For judgments entered in a general district court on or after January 1, 1985, no execution shall be issued or action brought on such judgment, including a judgment in favor of the Commonwealth, after ten years from the date of such judgment, except as provided in § 16.1-69.55 B. 4.

HB 803 / SB 77 - Repairs or maintenance of property; entering adjoining property, petition for entry.

This passed legislation permits an owner of real property to petition circuit court to obtain a court order for a right of entry to adjoining property to perform repairs or maintenance to their property. Such an order would require that it is impossible to perform the repairs or maintenance without entering such adjoining property and such access has been denied by the neighboring owner. This legislation could be particularly useful for certain types of common interest communities in tightly situated urban environments.

HB 395 / SB 250 – Portable Solar Generation Devices

This passed legislation provides new protections for individuals seeking to own and operate a portable solar generation device. For example, under this law a locality and landlord may not prohibit the use of a small portable solar generation device on a residential structure or property, under certain conditions. This law includes a specific provision that clearly explains that it does not supersede or limit the terms of recorded declarations and covenants, condominium or cooperative instruments, the declaration of a common interest community, or any declaration of a property owners' association. Under existing law, common interest communities must use caution when attempting to regulate "solar energy collection" devices, which may be distinct from generation devices, as the ability to regulate and prohibit such are limited and subject to specific requirements of the applicable covenants, and Sections 55.1-1820.1 and 55.1-1951.1 of the Virginia Code.

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HB 1120 - Electric power-assisted bicycles, etc.; improving safety for operators and general public, report.

This passed bill directs the Department of Motor Vehicles to convene a work group to examine and make recommendations for options and measures for improving the safety of electric power-assisted bicycles, motorized skateboards and scooters, electric personal assistive mobility devices, and mopeds. The report of finding would be due no later than November 1, 2026. Many communities are experiencing an uptick in the use of these devices, particularly by minors who are not age qualified to operate vehicles, and are reporting safety concerns for users, pedestrians, and other vehicles upon streets, sidewalks and other Common Areas. The report will be monitored and may result in future legislation of impact to our communities.

SB 803 - Virginia Fair Housing Law; regulations defining terms related to unlawful conduct.

This passed bill directs the Fair Housing Board to adopt regulations defining "quid pro quo harassment," "hostile environment harassment," "prohibited interference," "coercion," and "intimidation conduct" under the Virginia Fair Housing Law. These definitions will be consistent with the federal law reflected in 24 C.F.R. §§ 100.600 and 100.400 as of January 1, 2026. As common interest communities are housing providers subject to the Fair Virginia Housing law, these changes will have little impact upon their operations, if such are operating in accordance with existing federal and Virginia law.

HB39 - Duty of settlement agent; restrictive covenants.

This passed bill imposes duties upon a settlement agent for real estate transactions to notify purchasers of their right to remove any restrictive covenants that are prohibited by law following a title search. There is a specific and existing process set forth in Section 55.1-300.1 of the Virginia Code that permits owners to record a certificate of release for certain prohibited covenants in the appropriate land records for the property. Only certain covenants would be subject to this process, specifically, those set forth in Section 36-96.6 which include, "any restrictive covenant and any related reversionary interest, purporting to restrict occupancy or ownership of property on the basis of race, color, religion, national origin, sex, elderliness, familial status, sexual orientation, gender identity, military status, or disability, whether heretofore or hereafter included in an instrument affecting the title to real or leasehold property, are declared to be void and contrary to the public policy of the Commonwealth." This bill does not impact the fairly operations or duties of a common interest community and its board/agent but is a useful reminder of the prohibited covenants and release process.

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Legislation Continued to 2027**HB 1196 / SB 746 – Property Owners’ Association Act, Operation and Management of Associations, Condemnation of Common Area**

This bill was passed over to 2027 but does not appear to pose any negative or impactful consequences for common interest communities. The bill proposes amending the Property Owners’ Association Act regarding how common areas are valued for just compensation offers and payments during eminent domain proceedings. The bill adds a provision to the Code that notes that the physical characteristics of association common area are required to be considered at the time of the condemnation when valuing the property.

HB 621 – Property Owners Association Act and Resale Disclosure Act, Declarant Related Disclosure Requirements

The bill proposed changes to the Property Owners’ Association Act, requiring the declarant to disclose in a contract for sale of a Lot other than for development or resale, if it has reserved rights to appoint members of the board, and its right and status of declarant control. The bill also proposed changes to the resale disclosures certificates that common interest communities must issue to include the following: “A statement describing any unexpired right of the declarant to control the conduct of association business, including the declarant's reserved right to appoint members of the board of directors.” This bill was carried over to 2027.

SB 558 - Virginia Gaming Commission established; penalties.

This bill did not pass and will carry over to 2027, for further committee action. It contains a number of technical amendments but of particular impact to common interest communities is the possibility of creating exclusions from required gaming permits for certain age-restricted common interest communities, which engage in gaming activities such as bingo, under limited circumstances. This bill’s progress should be monitored for possible benefits to certain common interest communities.