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SENATE BILL NO. 1270

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on General Laws and Technology
on January 24, 2025)

(Patron Prior to Substitute—Senator Hackworth)

A BILL to direct the Virginia Housing Development Authority to convene a technical advisory group to evaluate the prevalence of deed fraud, develop recommendations for the prevention of deed fraud, and develop measures to enhance protections for property owners from such crimes.

Be it enacted by the General Assembly of Virginia:

1. § 1. That the Virginia Housing Development Authority shall convene a technical advisory group to evaluate the prevalence of deed fraud, including notary fraud, seller impersonation, owner impersonation, and fraudulent lien filing; develop recommendations for the prevention of deed fraud; and develop measures to enhance protections for property owners from such crimes. The Department of Housing and Community Development shall provide administrative or technical support to the technical advisory group as necessary. The technical advisory group shall identify any vulnerabilities or deficiencies that exist throughout the real estate transaction process and recommend policy changes to address such vulnerabilities. The technical advisory group shall give consideration to policy proposals, including (i) requiring identity verification processes by notaries, (ii) strengthening safeguards to prevent fraudulent notaries, (iii) enhancing security for public access to land records, (iv) providing consumer and professional education and awareness training, (v) granting local governments and circuit clerks authority with respect to suspected fraudulent documents, (vi) establishing free property alert notification systems within local land record offices, (vii) establishing an alert notification system to inform notaries when documents containing a notary's name or registration number are submitted for recording, (viii) evaluating the effectiveness of existing criminal statutes related to deed fraud, (ix) developing effective remedies for citizens impacted by deed fraud, and (x) developing measures to mitigate incidents of owner and seller impersonation fraud. The technical advisory group shall consist of representatives from (a) the Virginia Bankers Association, (b) the Office of the Clerk of the Circuit Court, (c) the Community Associations Institute, (d) the Virginia Association for Commercial Real Estate, (e) the Home Builders Association of Virginia, (f) the Virginia Municipal League, (g) a public notary or representative from the Virginia Association of Notaries, (h) the Virginia Land Title Association, (i) the Virginia Mortgage Bankers Association, (j) Virginia Realtors, and (k) the Virginia Bar Association Real Estate Council. The technical advisory group shall report its findings and recommendations, including any legislative recommendations, to the Chairmen of the House Committee on General Laws and the Senate Committee on General Laws and Technology no later than November 1, 2025.

SENATE SUBSTITUTE

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