

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB2396ER

Patron: Simon

Bill Title: Deed fraud; VHDA to evaluate prevalence, develop recommendations for prevention, etc.

Bill Summary: Directs the Virginia Housing Development Authority to convene a technical advisory group to (i) evaluate the prevalence of deed fraud, including notary fraud, seller impersonation, owner impersonation, and fraudulent lien filing; (ii) develop recommendations for the prevention of deed fraud; and (iii) develop measures to enhance protections for property owners from such crimes. The bill directs the technical advisory group to report its findings and 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.

Budget Amendment Necessary: See Fiscal
Analysis

Items Impacted: N/A

Explanation: This bill involves the Virginia Housing Development Authority (VHDA) ; the Department of Housing and Community Development (DHCD) and the Courts. See Fiscal Analysis section, below.

Fiscal Summary: Indeterminate fiscal impact.

Fiscal Analysis: DHCD indicates that the magnitude of expenditure impact from this bill depends on the level of involvement the agency may be tasked with. The bill requires VHDA to form a technical advisory group to assess and recommend measures to prevent deed fraud, including notary fraud, seller impersonation, and fraudulent lien filings. DHCD will provide administrative or technical support to the group and anticipates that these tasks are manageable within existing resources. However, if DHCD is tasked with leading the required study, the agency will need \$50,000 in FY 2026 to hire a consultant to convene and conduct the analysis, as DHCD does not currently have the necessary expertise on staff. If the bill intends for DHCD to lead the study, funding support can be allocated to Item 106 HB1600/SB800.

VHDA is self-supporting and does not receive state appropriation. No fiscal impact is anticipated by the Office of the Clerk of the Circuit Court.

Other: None.