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HOUSE BILL NO. 1364

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on General Laws and Technology

on \_\_\_\_\_)

(Patron Prior to Substitute--Delegate Leftwich)

A BILL to amend and reenact § 55.1-1006 of the Code of Virginia, relating to real estate settlement agents; emergency.

**Be it enacted by the General Assembly of Virginia:**

**1. That § 55.1-1006 of the Code of Virginia is amended and reenacted as follows:**

**§ 55.1-1006. Choice of settlement agent.**

A purchaser or borrower in a transaction related to real estate in the Commonwealth shall have the right to select the settlement agent to provide escrow, closing, or settlement services in connection with the transaction. The seller in such a transaction may not require the use of a particular settlement agent as a condition of the sale of the property. Nothing in this chapter shall prohibit a seller from (i) retaining an attorney licensed pursuant to Chapter 39 (§ 54.1-3900 et seq.) of Title 54.1 to represent his interests and provide legal advice pertaining to escrow, closing, or settlement services or (ii) selecting a title insurance agency or agent licensed pursuant to Chapter 18 (§ 38.2-1800 et seq.) of Title 38.2 to coordinate escrow, closing, or settlement services on his behalf. An attorney or title insurance agency or agent retained or selected by a seller pursuant to the provisions of this section shall not be responsible for the disbursement of any funds, including funds held in an escrow account.

**2. That the provisions of this act are declarative of existing law.**

**3. That an emergency exists and this act is in force from its passage.**

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