VIRGINIA STATE BUDGET

2020 Special Session I

Budget Amendments - HB5005 (Conference Report)

Bill Order » Item 4-14 #2C

Eviction Moratorium Language (language only)

Item 4-14 #2c

Effective Date

Effective Date

Language

Page 241, strike lines 21 through 48.

Page 242, strike lines 1 through 6, and insert:

"8.a. Notwithstanding any other provision of law, upon the declaration by the Governor of a state of emergency pursuant to § 44-146.17 of the Code of Virginia in response to a communicable disease of public health threat as defined in § 44-146.16 of the Code of Virginia, no landlord shall terminate a residential tenancy, or take any action to obtain possession of a dwelling unit, for non-payment of rent through December 31, 2020, unless such eligible tenant refuses to apply for Virginia Rent and Mortgage Relief Program assistance and refuses to cooperate with the landlord in applying for rental assistance through the Virginia Rent and Mortgage Relief Program. Such landlords and tenants must also comply with the following:

1. For an owner who owns more than four rental dwelling units or more than a 10 percent interest in more than four rental dwelling units, whether individually or through a business entity, in the Commonwealth, if rent is unpaid when due, the landlord shall serve upon the tenant, pursuant to § 55.1-1202, a written notice informing the tenant of the total amount due and owed. The written notice shall also inform the tenant that if the tenant provides to the landlord a signed statement certifying that the tenant has experienced additional expenses or a loss of income due to the declared state of emergency, the tenant may, but is not required to, enter into a payment plan under which the tenant shall be required to pay the total amount due and owed in equal monthly installments over a period of the lesser of six months or the time remaining under the rental agreement. The total amount due and owed under a payment plan shall not include any late fees, and no late fees shall be assessed during any time period in which a tenant is making timely payments under a payment plan. If the tenant fails to pay in full, enter into a written payment plan with the landlord, or pay any installment required by the plan, the landlord may not terminate the tenancy nor take any action to obtain possession of the dwelling unit until the provisions of subsection 8.b. are effectuated on January 1, 2021. However, during the time the provisions of this subsection 8.a. are in effect, the landlord may proceed to obtain possession of the premises as provided in § 55.1-1251 in the event that the tenant refuses to apply for Virginia Rent and Mortgage Relief Program assistance and refuses to cooperate with the landlord in applying for rental assistance through the Virginia Rent and Mortgage Relief Program, as described in subsection 8.a.2. below. Nothing in this subsection shall preclude a tenant from availing himself of any other rights or remedies available to him under the law, nor shall the tenant's eligibility to participate or participation in any rent relief program offered by a nonprofit organization or under the provisions of any federal, state, or local law, regulation, or action prohibit the tenant from taking advantage of the provisions of this subsection.

2. If rent is unpaid when due, or if a payment under the terms of a payment plan is unpaid when due, the landlord shall serve upon the tenant, pursuant to § 55.1-1202, a written notice informing the tenant of the Virginia Rent and Mortgage Relief Program and information on how to reach 2-1-1 Virginia to determine any additional federal, state, and local rent relief programs. The written notice shall also inform the tenant that the owner, landlord, or owner's licensed agent will apply for rental assistance with the Virginia Rent and Mortgage Relief Program on

behalf of the tenant, or the landlord will cooperate with the tenant's application for rental assistance with the Virginia Rent and Mortgage Relief Program, or with another federal, state, or local rent relief program, by providing required documentation for such application, including the W-9 IRS form and any supporting affidavit. If the tenant refuses to apply for Virginia Rent and Mortgage Relief Program assistance and refuses to cooperate with the landlord in applying for rental assistance through the Virginia Rent and Mortgage Relief Program, the landlord may may proceed to obtain possession of the premises as provided in § 55.1-1251 for non-payment of rent, during such time the provisions of 8.a. are in effect. Before January 1, 2021, a landlord may not terminate a tenancy nor take action to obtain possession of a dwelling unit based solely on failure to receive written approval from the Virginia Rent and Mortgage Relief Program or any other federal, state, or local rent relief program. After the provisions of subsection 8.b. are effectuated on January 1, 2021, the landlord may terminate the tenancy or take action to obtain possession of the dwelling unit based on failure to receive written approval from the Virginia Rent and Mortgage Relief Program or any other federal, state, or local rent relief program, but only in compliance with the applicable provisions of subsection 8.b.3. For any application by the owner, landlord, owner's licensed agent, or the tenant to the Virginia Rent and Mortgage Relief Program or any other federal, state, or local rent relief program, the administrator of the Virginia Rent and Mortgage Relief Program or the administrator of any other federal, state, or local rent relief program shall work diligently to process such application within fourteen days of submission of such application.

- b. Beginning January 1, 2021, notwithstanding any other provision of law, upon the declaration by the Governor of a state of emergency pursuant to § 44-146.17 of the Code of Virginia in response to a communicable disease of public health threat as defined in § 44-146.16 of the Code of Virginia, no landlord shall terminate a residential tenancy, or take any action to obtain possession of a dwelling unit, for non-payment of rent due to lost income or additional expenses resulting from the declared state of emergency until such time the declared state of emergency ends, except as follows:
- 1. For an owner who owns four or fewer rental dwelling units in the Commonwealth, if rent is unpaid when due and the tenant fails to pay rent within fourteen days after written notice is served on him, pursuant to § 55.1-1202, notifying the tenant of his nonpayment and of the landlord's intention to obtain possession of the premises if the rent is not paid within the fourteen-day period, the landlord may proceed to obtain possession of the premises as provided in § 55.1-1251, provided that the landlord also complies with subsection 3. below.
- 2. For an owner who owns more than four rental dwelling units or more than a 10 percent interest in more than four rental dwelling units, whether individually or through a business entity, in the Commonwealth, if rent is unpaid when due, the landlord shall serve upon the tenant, pursuant to § 55.1-1202, a written notice informing the tenant of the total amount due and owed. The written notice shall also inform the tenant that if the tenant provides to the landlord a signed statement certifying that the tenant has experienced additional expenses or a loss of income due to the declared state of emergency, the tenant may, but is not required to, enter into a payment plan under which the tenant shall be required to pay the total amount due and owed in equal monthly installments over a period of the lesser of six months or the time remaining under the rental agreement. The total amount due and owed under a payment plan shall not include any late fees, and no late fees shall be assessed during any time period in which a tenant is making timely payments under a payment plan. The written notice shall also inform the tenant that if the tenant fails to either pay the total amount due and owed or enter into the payment plan offered, or an alternative payment arrangement acceptable to the landlord, within fourteen days of receiving the written notice from the landlord, the landlord may proceed to obtain possession of the premises as provided in § 55.1-1251 . If the tenant fails to pay in full or enter into a written payment plan with the landlord within fourteen days of when the notice is served on him, the landlord may proceed to obtain possession of the premises as provided in § 55.1-1251, provided that the landlord also complies with subsection 3. below. If the tenant enters into a payment plan and, after the plan becomes effective, fails to pay any installment required by the plan within fourteen days of its due date, the landlord may proceed to obtain possession of the premises as provided in § 55.1-1251, provided that he has sent the tenant a new notice, pursuant to § 55.1-1202, advising the tenant of the landlord's intention to obtain possession of the premises unless the tenant pays the total amount due and owed as stated on the notice within fourteen days of receipt and provided that the landlord complies with subsection 3. below. The option of entering into a payment plan or alternative payment arrangement pursuant to this subdivision may only be utilized once during the time period of the rental agreement. Nothing in this subsection shall preclude a tenant from availing himself of any other rights or remedies available to him under the law, nor shall the tenant's eligibility to

participate or participation in any rent relief program offered by a nonprofit organization or under the provisions of any federal, state, or local law, regulation, or action prohibit the tenant from taking advantage of the provisions of this subsection.

- 3. If rent is unpaid when due, or if a payment under the terms of a payment plan is unpaid when due, the landlord shall serve upon the tenant, pursuant to § 55.1-1202, a written notice informing the tenant of the Virginia Rent and Mortgage Relief Program and information on how to reach 2-1-1 Virginia to determine any additional federal, state, and local rent relief programs. The written notice shall also inform the tenant that the owner, landlord, or owner's licensed agent will apply for rental assistance with the Virginia Rent and Mortgage Relief Program on behalf of the tenant, or the landlord will cooperate with the tenant's application for rental assistance with the Virginia Rent and Mortgage Relief Program, or with another federal, state, or local rent relief program, by providing required documentation for such application, including the W-9 IRS form and any supporting affidavit. Unless the tenant has communicated to the landlord that they are applying for rental assistance funds, the landlord shall apply for rental assistance on behalf of the tenant to the Virginia Rent and Mortgage Relief program, or another federal, state, or local rental assistance program no later than fourteen days from the time the written notice is served. If the tenant refuses to apply for rental assistance and refuses to cooperate with the landlord in applying for rental assistance through the Virginia Rent and Mortgage Relief Program, or with another federal, state, or local rent relief program, the landlord may take action to obtain possession of a dwelling unit for nonpayment of rent as provided in § 55.1-1251. If the landlord or the tenant does not receive written approval from the Virginia Rent and Mortgage Relief Program or any other federal, state, or local rent relief program within forty-five days of when the application for assistance is made by the tenant or the landlord, the landlord may proceed to obtain possession of the premises as provided in § 55.1-1251. For any subsequent application by the owner, landlord, owner's licensed agent, or the tenant to the Virginia Rent and Mortgage Relief Program or any other federal, state, or local rent relief program, the administrator of the Virginia Rent and Mortgage Relief Program or the administrator of any other federal, state, or local rent relief program shall work diligently to process such application within fourteen days of submission of such application. If the landlord or tenant does not receive written approval from the Virginia Rent and Mortgage Relief program or any other federal, state, or local rent relief program within fourteen days of submission of the subsequent application, the landlord may proceed to obtain possession of the premises as provided in § 55.1-1251. If the tenant does not qualify for the Virginia Rent and Mortgage Relief Program or any other federal, or state rent relief program, or there are no longer funds available from these sources, then the provisions of this subsection, 8.b.3. do not apply.
- c. If a landlord reports to a consumer reporting agency or debt collector regarding a tenant who is participating in the repayment plan or receiving assistance from a federal, state, or local rent relief program, the landlord shall report the account as "current" in accordance with the Public Law 116-136: Coronavirus Aid, Relief, and Economic Security Act.
- d. If a tenant is complying with a written payment plan with the landlord or has resolved any non-payment of rent, the landlord cannot take any action to obtain possession of a dwelling unit for non-payment of rent.
- e. Nothing in this section relieves either the landlord or the tenant from their obligations to maintain the dwelling as those obligations are set forth in Article 2 and Article 3 of Chapter 12 of Title 55.1.
- f. Nothing in this section shall void any judgment for possession validly obtained by a landlord prior to the effective date of this section; however, the court shall not issue a writ of execution thereunder, following the effective date, unless it complies with the provisions of this Section 8."

Explanation

(This amendment replaces the eviction moratorium language included in the Governor's proposed budget, and establishes the terms by which a landlord may evict a tenant for nonpayment. For owners with more than four dwelling units, requires that the landlord provide written notice informing the tenant of the total amount due and owed; and inform the tenant that if the tenant provides a signed statement certifying that the tenant has experienced expenses or a loss of income due to the declared state of emergency, the tenant may enter into a payment plan and amortize the amount owed over the lesser of six months or the remainder of lease term. If the tenant fails to pay in full, enter into a payment plan, or pay any installment required by the plan, the landlord may proceed to obtain possession of the premises beginning January 1, 2021 provided certain other conditions are met,

including notifying the tenant of the availability of rental assistance. For owners with four or fewer dwelling units, if rent is unpaid when due and the tenant fails to pay rent within fourteen days after written notice is served on him, the landlord may proceed to obtain possession of the premises beginning January 1, 2021, as long as the landlord meets certain other conditions, including notifying the tenant of the availability of rental assistance. The amendment also provides that if a tenant refuses to apply for rental assistance and refuses to cooperate with the landlord in applying for rental assistance through the Virginia Rent and Mortgage Relief Program, the landlord can take action on or before December 31, 2020, to obtain possession of a dwelling unit for non-payment of rent.)