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SENATE BILL NO. 1545

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on General Laws and Technology
on February 1, 2023)

(Patron Prior to Substitute—Senator Rouse)

A BILL to amend and reenact § 44-209 of the Code of Virginia, relating to furloughed federal employees.

Be it enacted by the General Assembly of Virginia:

1. That § 44-209 of the Code of Virginia is amended and reenacted as follows:

§ 44-209. Closure of United States government; civil relief for furloughed employees and contractors.

A. As used in this section:

"Closure of the United States government" means a closure of one or more agencies of the United States federal government for a period of 14 consecutive days or longer as a result of a lapse of appropriation that leads to (i) the curtailment of federal agency activities and services, (ii) a shutdown of nonessential operations, (iii) nonessential workers being furloughed, and (iv) only essential employees in departments covering the safety of human life or protection of property being retained.

"Written proof" means (i) a paystub issued by a federal government agency showing zero dollars in earnings for a pay period within the period of any closure of the United States government, (ii) a copy of a furlough notification letter or essential employee status letter indicating the employee's status as nonessential, or (iii) a letter from a company under contract with the United States government issued and signed by an officer or owner of the company or by the company's human resources director stating that the employee's not receiving payment from the contractor is directly attributable to a closure of the United States government.

B. Notwithstanding any provision of law to the contrary, any tenant as defined in § 55.1-1200 who is a defendant in an unlawful detainer for nonpayment of rent pursuant to § 55.1-1245 for rent due after the commencement of a closure of the United States government seeking a judgment for the payment of money or possession of the premises shall be granted a 60-day continuance of such unlawful detainer action from the initial court date if the tenant appears on such court date and provides written proof that he was furloughed or otherwise was or is not currently receiving wages or payments as a result of a closure of the United States government, and is (i) an employee of ~~the~~ a United States government agency that is experiencing a closure as defined in subsection A, (ii) an independent contractor for ~~the~~ a United States government agency that is experiencing a closure as defined in subsection A, or (iii) an employee of a company under contract with ~~the~~ a United States government agency that is experiencing a closure as defined in subsection A. The provisions of this subsection shall not apply if the landlord has filed a material noncompliance notice for a non-rent violation of the rental agreement or of the Code of Virginia.

C. Notwithstanding any provision of law to the contrary, any homeowner who, after the commencement of a closure of the United States government, defaults on a note that is secured by a one-family to four-family residential property located in the Commonwealth and is subject to a foreclosure proceeding on any mortgage or to the execution of or sale under any deed of trust shall be granted a 30-day stay of such proceeding if the homeowner, within 90 days of such closure or 90 days following the end of a closure of the United States government, whichever is later, requests a stay and provides written proof to his lender that he was furloughed or otherwise was or is not currently receiving wages or payments as a result of a closure of the United States government, and is (i) an employee of ~~the~~ a United States government agency that is experiencing a closure as defined in subsection A, (ii) an independent contractor for ~~the~~ a United States government agency that is experiencing a closure as defined in subsection A, or (iii) an employee of a company under contract with ~~the~~ a United States government agency that is experiencing a closure as defined in subsection A.

D. Notwithstanding any provision of law to the contrary, any owner who rents a one-family to four-family residential dwelling unit located in the Commonwealth to a tenant as defined in § 55.1-1200 and who, after the commencement of a closure of the United States government, defaults on a note that is secured by such dwelling unit and is subject to a foreclosure proceeding on any mortgage or to the execution of or sale under any deed of trust shall be granted a 30-day stay of such proceeding if the owner, within 90 days of such closure or 90 days following the end of a closure of the United States government, whichever is later, requests a stay and provides written proof to his lender that his tenant was furloughed or otherwise was or is not currently receiving wages or payments as a result of a closure of the United States government, and is (i) an employee of ~~the~~ a United States government agency that is experiencing a closure as defined in subsection A, (ii) an independent contractor for ~~the~~ a United

60 States government *agency that is experiencing a closure as defined in subsection A*, or (iii) an employee
61 of a company under contract with ~~the~~ a United States government *agency that is experiencing a closure*
62 *as defined in subsection A*.

63 E. The provisions of this section shall not (i) apply in an instance where a separate, signed legal
64 agreement exists between a landlord and tenant or homeowner and mortgage holder to stay legal action
65 or defer the filing of an unlawful detainer motion for nonpayment of rent or foreclosure proceeding on
66 any mortgage or to the execution of or sale under any deed of trust for a term of 30 days or greater or
67 (ii) affect any other terms of a valid rental agreement or note secured by a one-family to four-family
68 residential property, mortgage, or deed of trust unrelated to nonpayment of rent or default of a mortgage
69 caused by a closure of the United States government.