

2020 SPECIAL SESSION WRAP-UP

Throughout the special session VHA focused on maintaining funding for housing programs that received substantial funding increases during the regular 2020 session. Funding increases for those programs (the Virginia Housing Trust Fund, permanent supportive housing, and eviction prevention) were un-allotted due to revenue shortfalls as a result of the pandemic. While those programs were our main focus, we also kept an eye on other housing related legislation.

VIRGINIA HOUSING TRUST FUND

HB 5005/SB 5015- 113.E

During the 2020 session, the Virginia Housing Trust Fund received an increase in funding for the 2020-2022 biennium budget (**\$30M FY21, \$30M FY22**); a significant increase from the 2018-2020 biennium budget (**\$11M FY19, \$7M FY20**). Due to COVID, the Governor un-allotted \$23M from both FY21 and FY22 prior to the special session. Throughout the special session, VHA advocated for the re-allotment of these funds and urged the General Assembly not to divert funds from this program to supplement the Virginia Rent and Mortgage Relief Program (RMRP). As of the publication of the conference report, \$85M has been allocated to the VHTF over the biennium (**\$55M FY21, \$30M FY22**), returning the FY21 funding to \$30M plus an additional \$25M, minus \$12.5M which was allocated to the Virginia Rent and Mortgage Relief Program (RMRP). The budget also has a provision that if necessary, additional money from this source can be used for the Virginia RMRP.



PERMANENT SUPPORTIVE HOUSING

HB 5005/SB 5015- ITEM 482.20 #15C

During the 2020 session, permanent supportive housing received an increase in funding for the 2020-2022 biennium budget (**\$25.5M FY21, \$34M FY22**); a significant increase from the 2018-2020 biennium budget (**\$10.5M FY19, \$17M FY20**). Due to COVID, the Governor un-allotted the funds prior to the special session. As of the publication of the conference report, \$3M has been re-allotted for permanent supportive housing for FY21 and 17M was re-allotted for FY22.



EVICTION PREVENTION AND DIVERSION PROGRAM

HB 5005/SB 5015 - Item 113 J1

During the 2020 General Assembly session, \$6.6M (**\$3.3M FY21, \$3.3M FY22**) was allocated over the biennium for the creation of an eviction prevention and diversion program. However, due to COVID, these funds were un-allotted. During the special session the General Assembly partially re-allotted the funds with \$3.3M for the first year.



EVICTION MORATORIUM

HB 5111/ SB 5051

Both chambers proposed legislation that would prohibit landlords from evicting tenants during the pandemic. Senator Hashmi carried a bill in the Senate and Delegate Cole carried companion legislation in the House. Elements of both were rolled into the budget bill as was rent repayment plan language requirements from Senator Ebbin and Delegate Price and language around not using late payments/ evictions that occurred during the pandemic as negative credit for tenants from Delegate Cole. The final language (HB5005_4-14#2c) establishes terms in which an eviction can occur for non-payment of rent before and after December 31,2020. In both timeframes, a landlord must present the tenant with a written notice outlining the rent owed and information about the rent relief program.

Through December 31, 2020, if a tenant presents a written declaration to their landlord explaining their inability to pay rent as a result of income losses due to COVID-19 (as outlined in the federal CDC eviction moratorium), and makes a good faith effort to utilize resources such as the Virginia Rent and Mortgage Relief Program (RMRP), then the landlord can not take steps to gain possession of the property for non-payment of rent. Once the budget is enacted, a tenant is no longer required to submit a written declaration to their landlord. The tenant or the landlord can apply for funds from the RMRP. However, during that time frame, if a tenant refuses to apply for/participate in the RMRP application process, the landlord can proceed to take possession of the premises.

Beginning on January 1, 2021, if the state of emergency is still in effect, a landlord can terminate a tenancy agreement for non-payment of rent if they have notified the tenant about available resources and the tenant does not participant in either applying for or permitting the landlord to apply on their behalf for the rent relief program within 14 days of notice, or the tenant is not approved for rent relief within 45 days of the application date.



UTILITY MORATORIUM AND REPAYMENT PLAN

HB 5117/SB 5118

Both chambers introduced legislation related to utility repayment plans, with Senator McClellan carrying a bill in the Senate and Delegate Aird carrying a bill in the House. Elements of the bills were rolled into the budget (HB 5005- 4-14-#1C). The amendment states that residential utilities overseen by the SCC cannot be disconnected for non-payment until economic and public health conditions improve or until 60 days after the state of emergency is lifted. Within 60 days of the enactment of this act, utility companies must notify residential customers who are at least 30 days in arrears about the option to enter a utility repayment plan. Utility companies may use funds from the \$100M in CRF allocated to the SCC to provide direct subsidy payments to customers, prioritizing those who are more than 60 days in arrears, and then addressing those who are 30-60 days in arrears.



RENT REPAYMENT PLAN

SB5088/HB 5064

The bill states that a landlord who owns four or more rental dwelling units must give a tenant who is late on rent a letter notifying them of the rent owed, as well as the option to enter into a repayment plan. A tenant has 14 days from notification to either pay the owed amount or enter into a repayment plan.



NEGATIVE CREDIT

HB 5106

This bill amends the Virginia Residential Landlord and Tenant Act, stating that a landlord who owns four or more rental dwelling units cannot deny a person tenancy based solely on payment history or eviction for non-payment of rent during the period beginning March 12, 2020 and ending 30 days after the expiration of the state of emergency. A landlord who denies an applicant tenancy must provide the applicant written notice with the statewide legal aid phone number and the opportunity to challenge the denial, asserting that their non-payment or eviction for non-payment was due to COVID-19, within 7 days from the postmark date. If the landlord does not hear from the tenant via mail, they must also follow-up with the tenant via another means of communication (phone, email). If the tenant does not take any action, the landlord may proceed with their denial of tenancy. If a landlord does not comply with these provisions, the applicant may recover damages of \$1,000.



CIVIL RELIEF FOR TENANTS AND HOMEOWNERS

HB 5111

The bill provides tenants and homeowners who have lost wages due to COVID-19 relief from court proceedings. In order to receive a 60 day continuance on proceedings, a tenant must appear at the initial court date and provide written documentation to prove that they were impacted by the pandemic. Homeowners and owners of rental properties facing default may be granted a 30 day stay on proceedings if within 90 days of the declaration of the state of emergency or 90 days after the end of the state of emergency, the owner requests a stay and provides proof that either the owner or tenant was impacted by the state of emergency.



EXTENSION OF CONSTRUCTION SUNSET PROVISIONS

SB 5106

This bill extends the deadline for certain construction processes (site plans, permits, rezoning) that were stalled as a result of COVID19, from July 1, 2020 to July 1, 2022.



DOMINION OVER EARNINGS

HB 5088/ SB 5085

Both the House and Senate introduced legislation asking that Dominion reimburse over earnings to customers. The budget language (HB 5005, [item 4-14#3h](#)) outlines that Dominion must reimburse a percentage of the \$366.8M in over earnings as one time bill credits to customers.

