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HOUSE OF REPRESENTATIVES
150th GENERAL ASSEMBLY

HOUSE BILL NO. 2
AS AMENDED BY
HOUSE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO PROTECTING FEDERAL WORKERS
DURING A SHUTDOWN.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Title 6 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Chapter 25E. Delaware Federal Employees Civil Relief Act.

§ 2501E. Short title.

This chapter may be cited as the “Delaware Federal Employees Civil Relief Act.”

§ 2502E. Purpose.

The purpose of this Act is to provide for the temporary suspension of judicial and administrative proceedings in Delaware that may adversely affect the civil rights of Federal workers during a shutdown. The provisions of this chapter are intended to be supplemental to any rights that Federal workers have under any applicable federal statutes and under any other applicable laws of this State.

§ 2503E. Definitions.

For purposes of this chapter:

(1) “Contractor” means a party to a Federal Government contract other than the Federal Government.

(2) “Court” means any court or administrative agency of the State, or a subdivision thereof, whether or not a court or administrative agency of record.

(3) “Covered insurance policy” means a policy for health insurance, life insurance, disability insurance, or motor vehicle insurance that a Federal worker enters into before the date on which a shutdown begins and is in effect during a shutdown.

(4) “Covered period” means the period beginning on the date on which a shutdown begins and ending on the date that is 30 days after the date on which that shutdown ends.

(5) “Federal worker” means an employee of a Federal government agency who resides in the State of Delaware and includes an employee of a contractor.

(6) “Federal government agency” means each authority of the executive, legislative, or judicial branch of the government of the United States.

(7) “Shutdown” means any period in which there is more than a 24-hour lapse in appropriations for any Federal government agency as a result of a failure to enact a regular appropriations bill or continuing resolution.

(8) “Judgment” means any judgment, decree, order, or ruling, final or temporary.

§ 2504E. Applicability.

This chapter applies to any judicial or administrative proceeding commenced in a court in this State against a Federal worker during a covered period. This chapter does not apply to criminal proceedings or to child support payments.

§ 2505E. Anticipatory relief.

(a) A Federal worker who is furloughed or required to work without pay during a shutdown may apply to a court for a temporary stay, postponement, or suspension regarding any payment of rent, mortgage, tax, fine, penalty, insurance premium, judgment, or other civil obligation or liability that the Federal worker owes or would owe during the duration of the shutdown.

(b) A court may grant relief if the court finds that the ability of the Federal worker to pay such obligation has been materially affected by the shutdown.

§ 2506E. Duration and term of stays; codefendants not a federal employee.

(a) Period of stay. A stay of an action, proceeding, attachment, or execution made pursuant to the provisions of this Act by a court may be ordered for the covered period and 90 days thereafter, or for any part of that period. The court may set the terms and amounts for such installment payments as is considered reasonable by the court.

(b) Codefendants. If the Federal worker is a codefendant with others who are not a Federal worker and who are not entitled to the relief and protections provided under this Act, the plaintiff may proceed against those other defendants with the approval of the court.

§ 2507E. Evictions.

(a) During a covered period, a landlord may only evict a Federal worker for nonpayment from premises that are occupied or intended to be occupied primarily as a residence with an order of a court.

(b) A court may stay eviction proceedings against a Federal worker for a period of 30 days if the court finds that

the ability of the Federal worker to comply with the lease obligations has been materially affected by the shutdown. The court may extend the stay if, in the opinion of the court, justice and equity require.

§ 2508E. Insurance Protection.

Without an order of a court, a covered insurance policy shall not lapse, terminate or be forfeited because a Federal worker does not pay a premium or interest or indebtedness on a premium under the policy that is due during a covered period.

§ 2509E. Maximum rate of interest on debts incurred before the shutdown.

(a) Interest rate limitation.

(1) Limitation to 6 percent. An obligation or liability bearing interest at a rate in excess of 6 percent per year that is incurred by a Federal worker, or the Federal worker and the Federal worker's spouse jointly, before the shutdown shall not bear interest at a rate in excess of 6 percent –

a. during the covered period and 90 days thereafter, in the case of an obligation or liability consisting of a mortgage, trust deed, or other security in the nature of a mortgage; or

b. during the covered period, in the case of any other obligation or liability.

(2) Forgiveness of interest in excess of 6 percent. Interest at a rate in excess of 6 percent per year that would otherwise be incurred but for the prohibition in §2509E(a)(1) is forgiven.

(3) Prevention of acceleration of principal. The amount of any periodic payment due from a Federal worker under the terms of the instrument that created an obligation or liability covered by this section shall be reduced by the amount of the interest forgiven under §2509E(a)(2) that is allocable to the period for which such payment is made.

(b) Implementation of limitation-written notice to creditor. In order for an obligation or liability of a Federal worker to be subject to the interest rate limitation in §2509E(a), the Federal worker shall provide to the creditor written notice that the Federal worker is furloughed or not getting paid as a result of a shutdown not later than 90 days after the date of that the shutdown began.

(c) Creditor protection. A court may grant a creditor relief from the limitations of this section if, in the opinion of the court, the ability of the Federal worker to pay interest upon the obligation or liability at a rate in excess of 6 percent per year is not materially affected by reason of the shutdown.

(d) Definitions. For purposes of §2509E, the term "interest" includes service charges, renewal charges, fees, or any other charges, except bona fide insurance, with respect to an obligation or liability, and the term "obligation or liability" includes an obligation or liability consisting of a mortgage, trust deed, or other security in the nature of a mortgage.

§ 2510E. Enforcement.

(a) The Attorney General shall have the same authority to enforce and carry out this chapter as is granted by Chapter 25 of Title 29 and by §§ 2511-2527 and 2531-2536 of this title.

(b) If a court or tribunal of competent jurisdiction finds that any person has violated this Chapter 25E, the Attorney General, upon petition to the court or tribunal, shall recover from the person, on behalf of the State, in addition to all costs, a civil penalty of not more than \$10,000 per violation pursuant to § 2533 of this title. Where such violation is wilful, each day that a wilful violation continues shall be considered a separate violation.

(c) For the purpose of this chapter, a “wilful violation” occurs when the party committing the violation knew that the party’s conduct was of the nature prohibited by this Act.