

AN ACT

Codification
District of
Columbia
Official Code

2001 Edition

2006 Fall
Supp.

West Group
Publisher

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Rental Housing Act of 1985 to provide for the elimination of rent ceilings and rent ceiling adjustments except for those approved pursuant to prior petitions, to allow the housing provider to increase the rent charged for a vacant rental unit by 10% of the current lawful amount of rent charged or to the highest lawful amount of rent charged for any substantially identical unit within that housing accommodation, but not more than 30% of the current rent charged for the vacant unit, to simplify and reduce filing burdens on the Rent Administrator and housing providers, to authorize and to limit the amount of any increase in the rent charged for an occupied unit, other than a petition-based increase, to 2% plus the adjustment of general applicability up to a maximum total of 10%, the total to be taken as percentage of the current lawful amount of rent charged, to authorize and to limit the amount of any increase in the rent charged for a unit occupied by an elderly or disabled person to the lesser of 5% or the adjustment of general applicability, to limit to one per year the number of increases in rent charged, to provide for disclosure of information, and to require the Mayor to report on the need for and the means of establishing an income qualified set-aside program.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Rent Control Reform Amendment Act of 2006".

Sec. 2. The Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code § 42-3501.01 *et seq.*), is amended as follows:

(a) Sections 202(a)(3), 206(a), (b), (c), and (f)(3), 205(a)(7)(C), 208, 209, 210(c) and (h), 211, 212(c), 214(a), 215(a)(1) and (c), 216(f) and 901(a) (D.C. Official Code §§ 42-3502.02, 42-3502.06(a), (b), (c), and (f)(3), 42-3502.08, 42-3502.09, 42-3502.10(c) and (h), 42-3502.11, 42-3502.12(c), 42-3502.14(a), 42-3502.15(a)(1) and (c), 42-3502.16(f), and 42-3509.01(a)) are amended by striking the phrase "rent ceiling" wherever it appears and inserting the phrase "rent charged" in its place.

Amend
§ 42-3502.02,
§ 42-3502.06,
§ 42-3502.08-
§ 42-3502.12,
§ 42-3502.14-
§ 42-3502.16,
§ 42-3509.01

(b) Section 205(g) (D.C. Official Code § 42-3502.05(g)) is amended to read as follows:
“(g)(1) A housing provider shall file the following notices with the Rent Administrator:

Amend
§ 42-3502.05

“(A) A copy of the rent increase notice given to the tenant for a rent increase under section 208(h)(2), within 30 days after the effective date of the increase; provided, that if rent increases are given to multiple tenants with the same effective date, the housing provider shall file a sample rent increase notice and a list attached stating the unit

number, tenant name, previous rent charged, new rent charged, and effective date for each rent increase;

“(B) A copy of the notice given to the tenant for an increase under section 213(d) stating the calculation of the initial rent charged in the lease (based on increases during the preceding 3 years) within 30 days of the commencement of the lease term;

“(C) A notice of a change in ownership or management of the housing accommodation, or change in the services and facilities included in the rent charged, within 30 days after the change.

“(2) Subject to appropriation, the Mayor shall establish an electronic database for the filing, storage, and retrieval of rent stabilization program documents.”.

(c) Section 206(a) (D.C. Official Code § 42-3502.06) is amended by adding three new sentences at the beginning of the text to read as follows:

Amend
§ 42-3502.06

"Rent ceilings are abolished, except that the housing provider may implement, in accordance with section 208(g), rent ceiling adjustments pursuant to petitions and voluntary agreements approved by the Rent Administrator prior to the effective date of Rent Control Reform Amendment Act of 2006, passed on 2nd reading on June 6, 1006 (Enrolled version of Bill 16-109). Petitions and voluntary agreements pending as of the effective date of the Rent Control Reform Amendment Act of 2006 2006, passed on 2nd reading on June 6, 1006 (Enrolled version of Bill 16-109), shall be decided pursuant to the provisions of this title in effect prior to the effective date and may be implemented in accordance with section 208(g). In considering a hardship petition pursuant to section 212, any unimplemented rent charged increase pursuant to a petition or voluntary agreement approved by the Rent Administrator shall be included in the maximum possible rental income."

(d) Section 207 (D.C. Official Code § 42-3502.07) is repealed.

(e) Section 208 (D.C. Official Code § 42-3502.08) is amended as follows:

Repeal
§ 42-3502.07
Amend
§ 42-3502.08

(1) Subsection (g) is amended to read as follows:

“(g) The amount of rent charged for any rental unit subject to this title shall not be increased until a full 12 months have elapsed since any prior increase; provided, that:

“(1) An increase in the amount of rent charged shall not exceed the amount of any single adjustment pursuant to any one section of this title;

“(2) If the rental unit becomes vacant within 12 months of an increase in the amount of rent charged, other than a vacancy increase pursuant to section 213, the housing provider may increase the amount of rent charged pursuant to section 213; and

“(3) If the amount of rent charged is increased pursuant to paragraph (2) of this subsection, the amount of rent charged shall not be increased until a full 12 months have elapsed after the increase in the amount of rent charged, even if another vacancy occurs.”.

(2) Subsection (h) is amended to read as follows:

“(h)(1) Unless the increase in the amount of rent charged is implemented pursuant to section 210, 211, 212, 214, or 215, an increase in the amount of rent charged while the unit is vacant shall not exceed the amount permitted under section 213(a).

“(2) Unless the increase in the amount of rent charged is implemented pursuant to section 210, 211, 212, 214, or 215, an increase in the amount of rent charged while the unit is occupied shall not exceed, taken as a percentage of the current allowable amount of rent charged for the unit, 2% plus the adjustment of general applicability; provided, that the total increase shall not exceed 10%; provided further, that the amount of any such increase in the rent charged for a unit occupied by an elderly or disabled tenant without regard to income but otherwise as

ENROLLED ORIGINAL

defined in section 206(f) shall not exceed the lesser of 5% or the adjustment of general applicability.”.

(f) Section 213 (D.C. Official Code § 42-3502.13) is amended as follows:

Amend
§ 42-3502.13

(1) Subsection (a) is amended by striking the phrase “the rent ceiling may, at the election of the housing provider, be adjusted to either: (1) The rent ceiling which would otherwise be applicable to a rental unit under this title plus 12% of the ceiling once per 12-month period; or

(2) The rent ceiling of a substantially identical rental unit in the same housing accommodation” and inserting the phrase “the amount of rent charged may, at the election of the housing provider, be increased:

“(1) By 10% of the current allowable amount of rent charged for the vacant unit;

or

“(2) To the amount of rent charged for a substantially identical rental unit in the same housing accommodation; provided, that the increase shall not exceed 30% of the current lawful amount of rent charged for the vacant unit” in its place.

(2) A new subsection (d) is added to read as follows:

“(d) Within 15 days after of the commencement of the new tenancy, the housing provider shall disclose to the tenant on a form published by the Rent Administrator (or in another suitable format until a form is published):

“(1) The applicable rent for the rental unit at the commencement of the tenancy;

“(2) The amount of the increases in the amount of rent charged for the rental unit during the preceding 3 years, including the basis for each increase and, if applicable, the identification of any substantially identical rental unit on which a vacancy increase is based, and the current increase in the rent charged; and

“(3) The identification of any substantially identical rental unit on which the vacancy increase is based.”.

(g) New sections 222 and 223 are added to read as follows:

New
§ 42-3502.22

“Sec. 222. Disclosure to tenants.

“(a) At the written request of a tenant not more than one time each calendar year, a housing provider shall, within 10 business days on a form provided by the Rent Administrator (or in another suitable format until a form is published), provide the amount of each increase in the amount of rent charged for the tenant's rental unit during the preceding 3 years on which the current rent charged is based, including the basis for each increase and, if applicable, the identification of any substantially identical rental unit on which a vacancy increase was based.

“(b)(1) At the time a prospective tenant files an application to lease any rental unit, the housing provider shall provide on a disclosure form published by the Rent Administrator (or in another suitable format until a form is published) together with any documents corresponding to each item of information:

“(A) The applicable rent for the rental unit;

“(B) Any tenant petition or petition filed by the housing provider which is pending that could affect the rental unit, including petitions for further rent increases during the following 12 months;

“(C) Any surcharges on rent for the rental unit, including capital improvement surcharges and the expiration date of those surcharges;

“(D) The frequency with which rent increases for the rental unit may be implemented;

“(E) The rent-controlled or exempt status of the housing

accommodation, its business license, and a copy of the registration or claim of exemption together with the most recent notice filed pursuant to section 205(g)(1)(C);

“(F) All copies of housing code violation reports issued by the Department of Consumer and Regulatory Affairs for the housing accommodation or rental unit within the last 12 months, or previously issued reports for violations which have but not been abated;

“(G) A pamphlet published by the Rent Administrator that explains in detail using lay terminology the laws and regulations governing the implementation of rent increases and petitions permitted to be filed by housing providers and by tenants;

“(H)(i) The amount of any nonrefundable application fee; and

“(ii) The amount of any initial security deposit, the interest rate on the security deposit, and the means by which the security deposit is returned to the tenant when the tenant vacates the unit;

“(I) Whether the housing accommodation is registered as, or in the process of converting to, a condominium or cooperative or a use that is not a housing accommodation;

“(J) The disclosure of ownership information in the registration form required by section 205(f) and (g)(1)(C).

“(2) The housing provider shall:

“(A) Maintain in a publicly accessible area of the housing accommodation (such as a reception desk or management office) a compilation of disclosure forms and documents for each rental unit in the housing accommodation containing the information required by paragraph (1) of this section;

“(B) Update the compilation within 30 days of any change in such information;

“(C) Give written notice to each tenant of the housing accommodation, on a form published by the Rent Administrator (or in another suitable format until a form is published), that the disclosure forms and documents for the tenant’s rental unit are available for inspection, which shall include the location of the disclosure forms in the housing accommodation and a table of contents enumerating the categories of information contained in the compilation required by paragraph (1) of this section;

“(D) Make available for the tenant’s inspection the disclosure forms and the documents for the tenant’s rental unit; and

“(E) Within 10 business days after written request by any tenant once per year, provide to the tenant without charge a copy of the disclosure form and such documents for the tenant’s rental unit.

“(c) The rent for any rental unit shall not be increased if the housing provider:

“(1) Willfully violates the provisions of this section; or

“(2) Fails to comply within 10 business days of written notice of any failure to comply with the provisions of this section.

“Sec. 223. Addition to Comprehensive Housing Strategy report.

“The Mayor shall include in the reports to the Council pursuant to section 5 of the Comprehensive Housing Strategy Act of 2003, effective March 10, 2004 (D.C. Law 15-73; D.C. Official Code § 6-1054), analyses of the need, means, and methods of further assisting income qualified elderly tenants, disabled tenants, teachers of the District of Columbia Public Schools or a District of Columbia Public Charter School, and low-income tenants to pay their rent. The

New
§ 42-3502.23

report shall consider:

- “(1) The income and any other criteria that shall be used to determine which tenants qualify for the program;
- “(2) The rent that qualified households shall pay;
- “(3) The number and the allocation of units to be included in any set-aside;
- “(4) The extent to which the program should incorporate any District affordable housing program and any federal affordable housing program available in the District;
- “(5) The reporting requirements which should be imposed on housing providers subject to this title and on qualified tenants to ensure that the program is effective.”.

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

Chairman
Council of the District of Columbia

Mayor
District of Columbia