

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Rental Housing Act of 1985 to reset rents of units no longer exempt from the Rent Stabilization Program due to the end of a tenant-based subsidy to an amount based on the adjustments of general applicability that accrued during the period of exemption, plus one vacancy increase, and to define the term “rent charged” for purposes of calculating baseline rents upon termination of an exemption.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Rental Housing Affordability Re-establishment Amendment Act of 2018”.

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) Section 205 (D.C. Official Code § 42-3502.05) is amended by adding a new subsection (g-1) to read as follows:

“(g-1)(1) After the expiration or termination of an exemption claimed pursuant to subsection (a) of this section, a housing provider shall file, upon the re-renting of the unit, an amended registration statement with the Rent Administrator, which shall include the rent charged for the unit, calculated in accordance with the requirements of section 209, and the documentation supporting the calculation.

“(2) The notice requirements of subsection (h)(2) of this section shall apply to any amended registration statement filed pursuant to this subsection.”

(b) Section 209 (D.C. Official Code § 42-3502.09) is amended as follows:

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

“(a) Upon the expiration or termination of an exemption claimed pursuant to section 205(a)(1), (3), or (5), rent charged for a unit may not exceed the following:

“(1) For a unit exempted pursuant to section 205(a)(1) or (5):

“(A)(i) If the unit is not vacant when the exemption terminates or expires, the sum of the rent charged on the date the unit became exempt and each subsequent adjustment of general applicability authorized pursuant to section 206(b);

“(ii) If the unit is vacant when the exemption terminates or expires:

(i) of this subparagraph; or
“(I) 110% of the sum authorized under sub-subparagraph

“(II) 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 sum authorized under sub-subparagraph (i) of this subparagraph; or

“(B) If the rent charged on the date the unit became exempt was either not properly filed with the Rent Administrator or is no longer available at the Division, and the housing provider is not able to provide a stamped copy of the original filing demonstrating the rent charged on the date the unit became exempt, the lowest of:

“(i) The most recent rent charged on file with the Rent Administrator before the date the unit became exempt, plus each subsequent adjustment of general applicability authorized under section 206(b);

“(ii) The applicable Small Area Fair Market Rent for the Washington-Arlington-Alexandria Metropolitan area based on unit size and zip code, as established by the U.S. Department of Housing and Urban Development pursuant to 24 CFR § 888.113; or

“(iii) The average rent charged during the last 6 consecutive months of the exemption.

“(2) For a unit exempted pursuant to section 205(a)(3), up to 105% of the average rent charged during the last 6 consecutive months of the exemption.”.

(2) A new subsection (a-1) is added to read as follows:

“(a-1) An increase in rent charged pursuant to subsection (a) of this section may be effected only in accordance with the procedures specified in sections 208 and 904.”.

(3) Subsection (b) is amended as follows:

(A) Strike the phrase “, which” and insert the phrase “, that” in its place.

(B) Strike the phrase “in which 1” and insert the phrase “in which one” in its place.

(C) Strike the phrase “by 1 of” and insert the phrase “by one of” in its place.

(4) Subsection (c) is repealed.

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

“(d) For the purposes of this section, the term “rent charged” means the entire amount of money, money’s worth, benefit, bonus, or gratuity a tenant must actually pay to a housing provider as a condition of occupancy or use of a rental unit, its related services, and its related facilities, pursuant to the Rent Stabilization Program.”.

Sec. 3. Applicability.

(a) This act shall apply upon the date of inclusion of its fiscal effect in an approved budget and financial plan.

(b) The Chief Financial Officer shall certify the date of the inclusion of the fiscal effect in

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an approved budget and financial plan, and provide notice to the Budget Director of the Council of the certification.

(c)(1) The Budget Director shall cause the notice of the certification to be published in the District of Columbia Register.

(2) The date of publication of the notice of the certification shall not affect the applicability of this act.

Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 5. 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