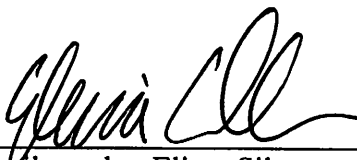
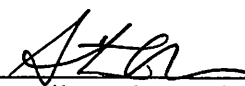


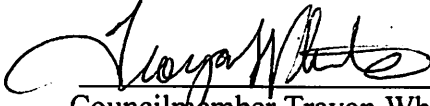
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Councilmember Elissa Silverman



Councilmember Anita Bonds



Councilmember Trayon White, Sr.

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Rental Housing Act of 1985, to define “rent ceiling”; to clarify that the abolition of rent ceilings applies to all unimplemented and expired rent increases; to reset rents charged based on the rent charged and any unexpired rent surcharges in effect on the effective date of this act; to clarify that rent increases may not be implemented more than 30 days after a housing provider is first eligible to take the increase; to specify requirements for notices of a rent charged, rent charged adjustment, or rent surcharge; to regulate discounted rents; to define a discounted rent as rent charged that is at least 10% less than the rent charged a prior or current tenant; to require that for as long as a tenant with a discounted rent is a tenant of a rental unit: 1. the discounted rent must be the sole basis for the calculation of adjustments to the rent charged for the duration of a tenant’s tenancy, 2. the rent for the rental unit must be equal to the amount of the initial discounted rent, plus any implemented rent charged adjustments and unexpired rent surcharges, and 3. the discounted rent must be granted to a tenant unconditionally; to permit a housing provider that had granted a discounted rent to charge the next tenant of the same rental unit up to the amount of rent charged immediately before the establishment of a discounted rent, plus authorized but unimplemented rent charged adjustments; to disallow rent increases 1. not implemented within 30 days after a tenant with a discount vacates a unit, and 2. when the amount filed pursuant to section 206(h)(2) is not correct; to require that late fees for a tenant with a discounted rent be based on the rent charged; to require that rental advertisements include the proposed rent charged, any rent surcharge in effect, and any unexpired rent surcharges; to provide for penalties for violations of the requirements of this act; and to clarify rent increases to vacant units.

45 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
46 act may be cited as the “Rent Concession Amendment Act of 2019”.

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

49 (a) Section 103 (D.C. Official Code § 42-3501.03) is amended as follows:

50 (1) Paragraph (29) is amended to read as follows:

51 “(29) “Rent ceiling” means the maximum rent that a housing provider was legally
52 entitled to demand, receive, or charge for a rental unit once unimplemented increases in the rent
53 charged were taken, in effect prior to the abolition of rent ceilings by the Rent Control Reform
54 Act of 2006 (D.C. Law 16-145).”.

55 (2) Paragraph (29B) is redesignated as paragraph (29C).

56 (3) A new paragraph (29B) is added to read as follows:

57 “(29B) “Rent Stabilization Program” means the program and related requirements
58 established by title II.”.

59 (b) Section 206 (D.C. Official Code § 42-3502.06) is amended as follows:

60 (1) The title of section 206 is amended to read as follows:

61 “Sec. 206. Rent charged.”.

62 (2) Subsection (a) is amended to read as follows:

63 “(a) Rent ceilings are abolished.”.

64 (3) Subsection (b) is amended by striking the phrase “by subsection (a) of this
65 section” and inserting the phrase “pursuant to the Rent Stabilization Program” in its place.

66 (4) Subsection (e) is amended to read as follows:

67 “(e)(1) A tenant may challenge a rent charged, rent charged adjustment, or rent surcharge
68 implemented under or authorized by any section of this Act by filing a petition with the Rent
69 Administrator under section 216.

70 “(2) No petition may be filed with respect to any rent charged, rent charged
71 adjustment, or rent surcharge, under any section of this Act more than 3 years after the effective
72 date of the rent charged, rent charged adjustment, or the rent surcharge, except that:

73 “(A) The 3-year statute of limitations established by this subsection shall
74 not apply to a challenge to the basis for any such rent charged, rent charged adjustment, or rent
75 surcharge; and

76 “(B) The new base rent as provided in section 103(4) may not be
77 challenged more than 6 months after the date the housing provider files the base rent as required
78 by this Act.”.

79 (5) New subsections (a-1), (a-2), (a-3), (h), and (i) are added to read as follows:

80 “(a-1) Base rents on April 30, 1985. – No housing provider may demand, receive, or
81 charge for a rental unit subject to this Act, a rent in excess of the base rent, plus subsequent rent
82 charged adjustments and rent surcharges authorized by the Rent Stabilization Program that have
83 not expired or were not abolished after April 30, 1985.

84 “(a-2) Reset of rents charged on the effective date of act. – (1) No housing provider may
85 demand, receive, or charge for a rental unit subject to this Act, a rent in excess of the sum of the
86 rent charged and any unexpired rent surcharge in effect on the effective date of B23-XXX, the
87 Rent Concession Amendment Act of 2019, plus subsequent rent charged adjustments and any
88 unexpired rent surcharge in effect and authorized by the Rent Stabilization Program.

89 “(2) If section 208(e) limits the application of this subsection to a tenant, then
90 upon the expiration of the term of the lease or rental agreement entered into prior to the effective
91 date of this act, the rent for the rental unit shall not exceed the sum of the rent charged and any
92 applicable and unexpired rent surcharges during the term of the lease or rental agreement, plus
93 subsequent rent charged adjustments and unexpired rent surcharges authorized by the Rent
94 Stabilization Program.

95 “(3) No provision of this act shall be construed as authorizing a rent charged
96 adjustment or rent surcharge implemented either prior to or after the effective date of this act,
97 that a court or administrative body may otherwise deem to be in violation of the rent ceiling
98 abolition, or any other provision of the Rent Stabilization Program.

99 “(a-3) Thirty-day expiration of unimplemented rent charged increases and rent
100 surcharges. – Except as otherwise provided in section 208a(e):

101 “(1) A housing provider shall forfeit any portion of an increase to the rent charged
102 or a rent surcharge that is not implemented by an increase to the rent charged or imposition of a
103 rent surcharge within 30 days of first becoming eligible to implement the increase or the
104 surcharge under the Rent Stabilization Program.

105 “(2) In the event that section 208(g) or 208a prohibits or limits the immediate
106 implementation of an increase to the rent charged or a rent surcharge, the right of a housing
107 provider to preserve or implement any unimplemented portion of the rent charged increase or
108 rent surcharge shall expire 30 days after the housing provider’s first opportunity to implement
109 the rent charged increase or rent surcharge under the Rent Stabilization Program.

110 “(3) This section shall apply to any rent charged adjustment or rent surcharge

111 authorized or approved, but not yet implemented prior to the effective date of this act.

112 “(h) (1) All notices or disclosures provided to a tenant and filed with the Rent
113 Administrator of a rent charged, rent charged adjustment, or rent surcharge shall be on a form
114 provided by the Rent Administrator that includes the following information for the rental unit:

115 “(A) Current and new rent charged;

116 “(B) The amount of any rent reduction;

117 “(C) Any unexpired rent surcharges; and

118 “(D) Any approved or authorized but unimplemented rent charged adjustments
119 and unexpired rent surcharges, and the date of expiration of each adjustment and surcharge
120 pursuant to subsection (a-3).

121 “(2) The amount of any rent reduction pursuant to paragraph (1)(B) of this
122 subsection shall mean the amount of the reduction in rent charged that is in effect at the time of
123 the notice or disclosure regarding a discounted rent established pursuant to section 208a.

124 “(i) No tenant may sublet a rental unit for a rent greater than the rent charged to the
125 tenant plus any unexpired rent surcharges in effect for the rental unit.”.

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

127 (1) Subsection (e) is amended by striking the word “rent” wherever it appears and
128 inserting the phrase “rent charged or rent surcharge” in its place.

129 (2) Subsection (h)(2)(A) is amended by striking the phrase “current allowable”.

130 (d) A new section 208a is added to read as follows:

131 “208a Discounted rent.

132 “(a) A housing provider may offer a discounted rent to a tenant for a rental unit.

133 “(b) For the purposes of this section, a discounted rent means a rent charged that is at
134 least 10% less than the rent charged the prior tenant of a rental unit or, in the case of a discounted
135 rent established after the commencement of the tenancy, 10% less than the rent charged
136 immediately before the establishment of the discounted rent.

137 “(c) For as long as a tenant with a discounted rent is a tenant of a rental unit:

138 “(1) The discounted rent shall be the sole basis for the calculation of adjustments
139 to the rent charged and new rent surcharges for the duration of the tenancy of the tenant;

140 “(2) The rent for the rental unit shall be equal to the amount of the initial
141 discounted rent, plus any implemented rent charged adjustments and unexpired rent surcharges
142 authorized by the Rent Stabilization Program; and

143 “(3) A discounted rent shall be granted to a tenant unconditionally, and may not
144 be rescinded by a housing provider for any reason.

145 “(d) A discounted rent may be offered a tenant at the commencement of, or at any time
146 during a tenancy.

147 “(e) (1) After a tenant with a discounted rent vacates a rental unit, the housing provider
148 may demand, receive, or charge the next tenant of the same rental unit up to:

149 “(A) The rent charged immediately before the establishment of the
150 discounted rent; plus

151 “(B) Any rent charged adjustments or unexpired rent surcharges that were
152 authorized but not implemented on or after the date of the establishment of the discounted rent of
153 the vacating tenant.

154 “(2) A housing provider shall forfeit any portion of a rent charged increase

155 pursuant to paragraph (1) of this subsection, if:

156 “(A) The rent charged increase is not implemented as an increase to the
157 rent charged or imposition of a rent surcharge for the next tenant within 30 days after a tenant
158 with a discounted rent vacates a unit; or

159 “(B) The amount filed pursuant to section 206(h)(2) of this Act is not correct.

160 “(f) Within 30 days of the effective date of a discounted rent, the housing provider shall
161 file with the Rent Administrator and provide to the tenant, an affidavit certifying the discounted
162 rent and the amount of the reduction in rent charged that is implemented pursuant to this section
163 208a in establishing the discounted rent for the rental unit.

164 “(1) The affidavit shall include a statement by the housing provider that the
165 discounted rent:

166 “(A) Was granted unconditionally;

167 “(B) Shall not be rescinded by a housing provider for any reason; and

168 “(C) Shall be the basis of all future rent charged adjustments and rent

169 surcharges for the tenant with a discounted rent that are authorized by the Rent Stabilization

170 Program, notwithstanding the expiration of any lease or rental agreement or the term of any lease

171 or rental agreement.

172 “(2) A housing provider may not implement a rent charged adjustment or impose

173 a rent surcharge for a rental unit until the affidavit required by this subsection is provided to the

174 Rent Administrator and a copy provided to the tenant.

175 “(g) For as long as a discounted rent is in effect, the amount of a late fee for the late

176 payment of rent pursuant to section 531 shall be based on the rent charged.

177 “(h) Any advertisement for a rental unit shall include the proposed rent charged, any rent
178 surcharge in effect, and any unexpired rent surcharges that were authorized but not implemented.

179 “(i) If a housing provider violates any requirement of this act:

180 “(1) The housing provider shall cure the violation; and

181 “(2) In the case of a substantial violation, the rent charged for the next tenant who
182 occupies the rental unit shall be no more than the discounted rent that should have been charged
183 the prior tenant if the housing provider had complied in full with the act and may be a lower
184 amount if so determined by the Rent Administrator.”.

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

186 (1) Subsection (a) is amended as follows:

187 (A) The lead-in text is amended by striking the phrase “rent charged by”
188 and inserting the phrase “rent charged for the next tenant by” in its place.

189 (B) Paragraphs (1) and (2) are amended to read as follows:

190 “(1) Up to 10% of the amount of rent charged to the prior tenant for the unit, if the
191 previous tenant occupied the unit for 10 years or less; or”.

192 “(2) “Up to 20% of the amount of rent charged to the prior tenant for the unit, if the
193 previous tenant occupied the unit for more than 10 years.

194 (2) Subsection (d) is amended as follows:

195 (A) Paragraph (1) is amended by striking the phrase “rent charged” and
196 inserting the phrase “applicable rent charged and any applicable rent surcharges” in its place.

197 (B) Paragraph (2) is amended to read as follows:

198 “(2) The amount of the increases in the amount of rent charged and of any new rent

199 surcharge for the rental unit during the preceding 3 years, including the basis for each increase
200 and surcharge, and the current increase in the rent charged and the amount of any new rent
201 surcharge to be imposed on the new tenant; and”.

202 (C) Paragraph (3) is amended to read as follows:

203 “(3) Any additional information required by section 206(h).”.

204 Sec. 3. Rulemaking.

205 Within 180 days of the effective date of this act, the Rental Housing Commission shall
206 promulgate rules to implement this act. The proposed rules shall include revisions necessary to
207 update relevant housing provider reporting forms according to the requirements of this act.

208 Sec. 4. Fiscal impact statement.

209 The Council adopts the fiscal impact statement in the committee report as the
210 fiscal impact statement required by section 602(c)(3) of the District of Columbia Home
211 Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-
212 206.02(c)(3)).

213 Sec. 5. Effective date.

214 This act shall take effect following approval by the Mayor (or in the event of veto
215 by the Mayor, action by the Council to override the veto), a 30-day period of
216 Congressional review as provided in section 602(c)(1) of the District of Columbia Home
217 Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-
218 206.02(c)(1)), and publication in the District of Columbia Register.