

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, the Foreclosure Moratorium Extension Temporary Amendment Act of 2022 to remove the 60-day deadline for submitting a homeowner assistance fund application, to protect homeowners from foreclosure actions if they submit an application for homeowner assistance before September 30, 2022, to require housing and financing entities to which a homeowner is indebted to provide notice of the District’s Homeowner Assistance Fund program prior to initiating a foreclosure; and to amend the Condominium Act of 1976 to exempt the time period from March 11, 2020 to September 30, 2022 from the 3-year period a condominium association is permitted to enforce a lien against a unit owner for assessments due.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Foreclosure Moratorium Extension Revision and Homeowner Assistance Fund Promotion Emergency Amendment Act of 2022”.

Sec. 2. Section 2(a) of the Foreclosure Moratorium Extension Temporary Amendment Act of 2022, effective April 8, 2022 (D.C. Law 24-112; D.C. Official Code § 42–851.01(a)) is amended as follows:

(a) Paragraph (2) is amended as follows:

(1) Subparagraph (A) is amended to strike the phrase “Homeowner Assistance Fund (“Homeowner Assistance Funds”),” and inserting the phrase, “DC Homeowner Assistance Fund Program (“DC HAF”),” in its place.

(2) Subparagraphs (B) and (C) are amended to read as follows:

“(B) The financial assistance application is under review, pending approval, pending payment, or under appeal; and”

“(C) Proof of the financial assistance application status described in subparagraph (B) of this paragraph is presented, as a paper copy or through an electronic medium, including through electronic communications facilitated by the online DC HAF application portal, to the mortgage lender, condominium association, homeowners association, or

tax sale purchaser, or to an agent acting as a representative for any housing or financing entity to which a homeowner is indebted.”.

(3) Subparagraph (D) is repealed.

(b) A new paragraph (2A) is added to read as follows:

“(2A)(A) Beginning on the effective date of the Foreclosure Moratorium Extension Revision and Homeowner Assistance Fund Promotion Emergency Amendment Act of 2022, passed on emergency basis on June 28, 2022 (Bill 24-883), a mortgage lender, condominium association, homeowners association, or tax sale purchaser, or an agent acting as a representative for any housing or financing entity to which a homeowner is indebted, may begin to send notices to warn of intention to initiate or continue foreclosure actions, but no foreclosure action described in paragraph (2) of this subsection may proceed prior to 30 days after a homeowner is first sent a warning notice.

“(B) Before September 30, 2022, all foreclosure notices and foreclosure warning notices sent pursuant to subparagraph (A) of this paragraph shall:

“(i) Be sent by postal and electronic mail to a homeowner’s last known home and email address;

“(ii) Inform the homeowner of DC HAF and the program’s potential ability to cure eligible housing debts, including the specific type of debt or debts owed to the entity sending the notice; and

“(iii) Explain the September 30, 2022, deadline to apply to DC HAF to delay or prevent further foreclosure action.

“(C) Within 5 business days after the effective date of the Foreclosure Moratorium Extension Revision and Homeowner Assistance Fund Promotion Emergency Amendment Act of 2022, passed on emergency basis on June 28, 2022 (Bill 24-883), the Mayor shall publish on the DC HAF website an editable sample foreclosure warning notice for use by housing or financing entities to which a homeowner may be indebted. The notice shall include:

“(i) Information about the foreclosure moratorium provided under this section;

“(ii) The availability of funding to cure housing-related debts through DC HAF and program eligibility criteria;

“(iii) Contact information for housing counseling organizations helping to administer DC HAF; and

“(iv) The September 30, 2022, deadline to submit a financial assistance application and to provide proof of financial assistance application status, consistent with the requirements of paragraph (2)(C) of this subsection, in order to prevent or delay possible forthcoming foreclosure actions.”.

(c) A new paragraph (2B) is added to read as follows:

“(2B)(A) The Mayor shall make every effort to make DC HAF payments by September 30, 2022, to qualified homeowners, their representatives, or housing or financing entities to which a homeowner is indebted to cure any debts or defaults eligible for assistance.

“(B) If a homeowner submitted a financial assistance application prior to September 30, 2022, provided proof of the application status pursuant to paragraph (2)(C) of this subsection, and the application remains under review, pending approval, pending payment, or under appeal as of September 30, 2022, until such time as DC HAF payments can be made or a homeowner’s application is denied following appeal, if any, the homeowner shall not be subject to:

“(i) A residential foreclosure initiated or conducted under section 539 or section 95;

“(ii) A sale initiated or conducted under section 313(c) of the Condominium Act of 1976, effective March 29, 1977 (D.C. Law 1-89; D.C. Official Code § 42-1903.13(c)); or

“(iii) A judgment foreclosing the right of redemption under D.C. Official Code § 47-1378.”

(d) Paragraph (3) is amended by striking the phrase “Homeowner Assistance Funds” and inserting the phrase “DC HAF” in its place.

Sec. 3. Section 313(e) of the Condominium Act of 1976, effective March 29, 1977 (D.C. Law 1-89; D.C. Official Code § 42-1903.13(e)), is amended by striking the phrase “3 years” and inserting the phrase “3 years, not including any period of time from March 11, 2020, to September 30, 2022,” in its place.

Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Budget Director 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), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section

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412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

Chairman
Council of the District of Columbia

Mayor
District of Columbia