



**COUNCIL OF THE DISTRICT OF COLUMBIA**  
JOHN A. WILSON BUILDING  
1350 PENNSYLVANIA AVENUE, NW  
WASHINGTON, DC 20004

**MATTHEW FRUMIN**  
Councilmember, Ward 3

**COMMITTEE MEMBER**  
Executive Administration and Labor  
Facilities and Family Services  
Hospital and Health Equity  
Housing  
Transportation and the Environment

Nyasha Smith  
Secretary of the Council  
1350 Pennsylvania Avenue NW  
Washington, DC 20004

March 20, 2023

Dear Secretary Smith:

Today, I am introducing the “Rent Stabilization Protection Amendment Act of 2023” along with Chairman Mendelson and Councilmembers Allen, Nadeau, Henderson, Bonds, Parker, Lewis George, and Pinto. This legislation, drafted in consultation with the Office of the Tenant Advocate, would require that the District of Columbia Housing Authority comply with rent stabilization laws when calculating the amount of rent paid by a tenant-based housing voucher. A signed copy of the legislation is enclosed.

Housing vouchers are a critical tool in our effort to end homelessness and better the lives of District residents. Federal and District regulations require that the combination of voucher payments and resident contributions are tailored to pay for a reasonable rent, based on the quality of the apartment itself and the rents paid for similar units on the private market.<sup>1</sup> In other words, a voucher is supposed to allow its recipient to pay for rent at the same level a voucher-less tenant would pay. The intention is to make every neighborhood available to low-income tenants while also carefully marshaling resources. This requirement (referred to as “rent reasonableness”) is both common sense and mandated by the Department of Housing and Urban Development (HUD).

However, the recent HUD audit of DCHA revealed that “DCHA does not conduct annual rent reasonableness assessments or perform rent reasonableness determinations in accordance with HUD rules and regulations.”<sup>2</sup> The audit noted concerns that DCHA was “being exploited by [voucher] landlords.”<sup>3</sup> A recent Washington Post investigation estimated that this failure to conduct rent reasonableness determinations may be costing the District **over one million dollars per month**.<sup>4</sup>

Many negative consequences flow from this failure. First, the District—still far from its goal of ending homelessness—is wasting money that could be used to fund more vouchers. Any payment that

<sup>1</sup> 24 C.F.R. § 982.507 (2016); 14 DCMR § 8301.

<sup>2</sup> U.S. Dep’t of Hous. & Urban Dev., *District of Columbia Housing Authority* 46 (2022), [https://oag.dc.gov/sites/default/files/2022-10/DCReview\\_Final%209302022%20%281%29.pdf](https://oag.dc.gov/sites/default/files/2022-10/DCReview_Final%209302022%20%281%29.pdf).

<sup>3</sup> *Id.* at 47.

<sup>4</sup> Steve Thompson & Dalton Bennet, *D.C. overpays landlords millions to house the city’s poorest*, WASHINGTON POST, (Feb. 16, 2023, 6:00 AM), <https://www.washingtonpost.com/investigations/2023/02/15/dc-housing-authority-overpays-landlords/>



exceeds reasonable rent could be used to fund additional vouchers to serve low-income individuals and families who need housing. Instead, these funds are going to landlords, while voucher tenants receive lower quality housing for a higher cost. If financial resources are properly managed, our voucher dollars will go further, allowing tenants to live in higher quality buildings that reasonably have higher rents in the private market, rather than in buildings at the bottom of the rental market.

Second, because the difference between the “fair market” rent used by DCHA and rent in a rent-stabilized unit is even greater than the excess paid in a non-rent-stabilized unit, these negative consequences are magnified for rent-stabilized buildings. By not accounting for the reasonableness of rent in the context of a rent-stabilized unit, we create an incentive structure virtually guaranteed to sacrifice one form of affordable housing—rent stabilization—for another.

Third, in the hands of some landlords (certainly not all, but some), the incentive structure can lead to destructive behavior. A landlord’s economic interest can be served by allowing conditions in a building to deteriorate, driving out rent-stabilized tenants to be replaced by voucher recipients from whom they can secure much higher rents and who have less power to report housing violations. According to the Washington Post investigation, this results in buildings turning into “in essence, privately-run public housing complexes, where residents frequently don’t receive the social services they need”<sup>5</sup> and without any accountability mechanisms to ensure that apartments are up to code. It also results in new concentrations of poverty, which is just what the voucher program tries to prevent, and ends up artificially raising rents for all District residents.

There will be many elements in how DCHA and the Council address the myriad challenges posed by these issues in the coming year. All share the goal of making the voucher program work better. This legislation addresses one specific issue related to rent stabilization.

Under current law, rent stabilization does not apply to units for which the rent is subsidized by the government. This legislation would ensure that, in the context of a rent stabilized building, reasonable rent for a voucher recipient is the amount that would be paid by a new private tenant under the rent stabilization laws. This change implements the core “rent reasonableness” requirement in rent-stabilized buildings, better marshaling resources and avoiding incentives that could unintentionally erode our rent-stabilized housing stock.

Should you have any questions about this legislation, please contact my Legislative Director, Steven A. Palmer, at [spalmer@dccouncil.gov](mailto:spalmer@dccouncil.gov) or (202) 724-8037.

Sincerely,



Matthew Frumin  
Councilmember for Ward 3

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<sup>5</sup> *Id.*




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Chairman Phil Mendelson

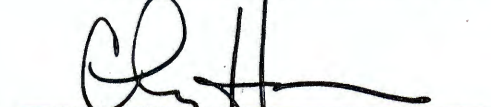
  
Councilmember Brianne K. Nadeau


  
Councilmember Anita Bonds


  
Councilmember Janeese Lewis George

  
Councilmember Matthew Frumin

  
Councilmember Charles Allen

  
Councilmember Christina Henderson

  
Councilmember Zachary Parker

  
Councilmember Brooke Pinto

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Rental Housing Act of 1985 and the District of Columbia Housing Authority Act of 1999 to require that the District of Columbia Housing Authority abide by rent stabilization requirements when determining the amount of a rent subsidy to be paid to a housing provider.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Rent Stabilization Protection Amendment Act of 2023".

Sec. 2. The lead in text of section 205(a) and section 205(a)(1) of the Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code § 42-3502.05(a)), are amended to read as follows:



43           “(a) Except as provided in subsection (e) of this section, sections 205(f) through 219 shall  
44 apply to each rental unit in the District; provided, that the following rental units shall be exempt  
45 from subsections (g) and (h)(2) of this section and sections 206 through 216, 218, and 219,  
46 except that the reporting requirement in subsection (g)(1) of this section shall apply to units that  
47 are exempt pursuant to Paragraph (1) of this subsection:

48                       “(1) Any rental unit in:

49                               “(A) Any federally- or District-owned housing accommodation or any  
50 housing accommodation with respect to which the mortgage or rent is federally or District-  
51 subsidized, except units subsidized under subsection III of this chapter, or any unit rented by a  
52 home and community-based services waiver provider and occupied by a tenant with a disability  
53 without regard to income but otherwise as defined in section 206(f)(2)(A), or co-leased by a  
54 home and community-based services waiver provider and occupied by a tenant with a disability  
55 without regard to income but otherwise as defined in section 206(f)(2)(A);

56                               “(B) Provided, that if the lease for a housing unit that is subject to a  
57 federal or District subsidy is entered into after the effective date of the Rent Stabilization  
58 Protection Amendment Act of 2023, and the unit would otherwise be subject to the rent  
59 stabilization program under Title II of the Rental Housing Act of 1985, effective July 17, 1985  
60 (D.C. Law 6-10; D.C. Official Code § 42-3501.01 et seq.), the total amount of rent to be paid to  
61 the housing provider by the tenant and the Authority shall not exceed the lesser of:

62                                       “(i) The amount of rent that would be charged for the unit but for  
63 the exemption set forth in sub-paragraph (A) of this paragraph, plus any subsequent rent  
64 adjustment allowable under section 208(h), sections 210 through 212, section 214, or section 224  
65 of this act; or



89           Sec. 5. Effective date.

90           This act shall take effect following approval by the Mayor (or in the event of veto by the  
91 Mayor, action by the Council to override the veto), a 30-day period of congressional review as  
92 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December  
93 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of  
94 Columbia Register.

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Matthew Frumin  
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<sup>5</sup> *Id.*

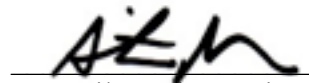


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4 Chairman Phil Mendelson

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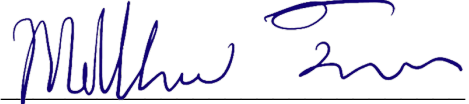
7 Councilmember Brianne K. Nadeau

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11 Councilmember Anita Bonds

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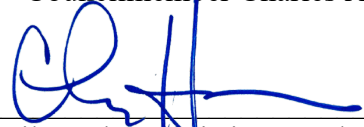
15 Councilmember Janeese Lewis George



Councilmember Matthew Frumin



Councilmember Charles Allen



Councilmember Christina Henderson



Councilmember Zachary Parker



Councilmember Brooke Pinto

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23 A BILL

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48                   “(1) Any rental unit in:

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50 housing accommodation with respect to which the mortgage or rent is federally or District-  
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52 home and community-based services waiver provider and occupied by a tenant with a disability  
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56                           “(B) Provided, that if the lease for a housing unit that is subject to a  
57 federal or District subsidy is entered into after the effective date of the Rent Stabilization  
58 Protection Amendment Act of 2023, and the unit would otherwise be subject to the rent  
59 stabilization program under Title II of the Rental Housing Act of 1985, effective July 17, 1985  
60 (D.C. Law 6-10; D.C. Official Code § 42-3501.01 et seq.), the total amount of rent to be paid to  
61 the housing provider by the tenant and the Authority shall not exceed the lesser of:

62                                   “(i) The amount of rent that would be charged for the unit but for  
63 the exemption set forth in sub-paragraph (A) of this paragraph, plus any subsequent rent  
64 adjustment allowable under section 208(h), sections 210 through 212, section 214, or section 224  
65 of this act; or

66                                   “(ii) The rent reasonableness limit as determined by the Authority  
67 pursuant to 24 C.F.R. §§ 982.507 and 509 and Section 26c(h) of the District of Columbia  
68 Housing Authority Act of 1999, effective May 9, 2000 (D.C. Law 13-105; D.C. Official Code  
69 §6–228(h)).

70                                   “(C) Provided further, that the housing provider shall file with the Rent  
71 Administrator the amount of rent charged for the unit at the outset of the exemption and each  
72 subsequent rent adjustment for so long as the exemption applies pursuant to subsection (g)(1) of  
73 this section.”.

74                   Sec. 3. Section 26c of the District of Columbia Housing Authority Act of 1999, effective  
75 May 9, 2000 (D.C. Law 13-105; D.C. Official Code § 6–228), is amended by adding a new  
76 subsection (h) to read as follows:

77                   “(h) When determining the total rent to be paid for a housing unit leased under this  
78 section, the Authority shall ensure that the rent does not exceed that which would be paid if the  
79 same housing unit were being leased on the private market, in accordance with 24 C.F.R. §§  
80 982.507 and 509. If the lease for a housing unit is entered into after the effective date of the Rent  
81 Stabilization Protection Amendment Act of 2023 and the housing unit is covered by the Rental  
82 Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code § 42-3501.01  
83 *et seq.*), the rent to be paid shall comply with section 205(a)(1)(B) of the Rental Housing Act of  
84 1985.”.

85                   Sec. 4. Fiscal impact statement.

86                   The Council adopts the fiscal impact statement in the committee report as the fiscal  
87 impact statement required by section 4a of the General Legislative Procedures Act of 1975,  
88 approved October 16, 2006 (12 Stat. 2038; D.C. Official Code § 1-301.47a).

89           Sec. 5. Effective date.

90           This act shall take effect following approval by the Mayor (or in the event of veto by the  
91 Mayor, action by the Council to override the veto), a 30-day period of congressional review as  
92 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December  
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