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AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on a temporary basis, the Rental Housing Act of 1985 to limit the amount of a hardship petition conditional rent increase to 5% of the rent charged, and to require that a rent adjustment be repaid by a housing provider to a tenant within 21 days of a conditional increase being amended.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Rent Control Hardship Petition Limitation Temporary Amendment Act of 2014".

Sec. 2. The Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code § 42-3500 *et seq.*), is amended as follows:

(a) Section 206(c) (D.C. Official Code § 42-3502.06(c)) is amended to read as follows:

"(c) (1) At the housing provider's election, instead of any adjustment authorized by subsection (b) of this section, the rent charged for an accommodation may be adjusted through a hardship petition under section 212. The petition shall be clearly identified as an election instead of the general adjustments authorized by subsection (b) of this section. The Rent Administrator shall accord an expedited review process for these petitions and shall issue and publish a final decision within 90 days after the petition has been filed.

"(2) In the case of any petition filed under this subsection as to which a final decision has not been rendered by the Rent Administrator at the end of 90 days from the date of filing of the petition and as to which the housing provider is not in default in complying with any information request made under section 216, the rent charged adjustment requested in the petition may be conditionally implemented by the housing provider at the end of the 90-day period; provided, that the conditional rent increase for an affected unit shall not exceed 5% of the rent charged.

"(3) A conditional rent charged adjustment shall be subject to subsequent modification by the final decision of the Rent Administrator on the petition. If a hearing has been held on the petition, the Rent Administrator shall, by order served upon the parties at least 10 days before the expiration of the 90 days, make a provisional finding as to the rent charged adjustment justified by the order, if any. Except to the extent modified by this section, the adjustment procedures of section 216 shall apply to any adjustment.

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"(4) If the Rent Administrator denies the requested rent increase or approves a rent increase that is less than the amount of the conditional rent increase charged by the housing provider, the housing provider shall refund to the tenant within 21 calendar days of the Rent Administrator's order any rent paid in excess of the amount approved by the Rent Administrator, except that the tenant may elect within 14 calendar days of the Rent Administrator's order to apply the amount of the refund as a credit against future rental payments."

(b) Section 212(c) (D.C. Official Code § 42-3502.12(c)) is amended to read as follows:

"(c)(1) At the housing provider's election, instead of any adjustment authorized by section 206(b), the rent charged for an accommodation may be adjusted through a hardship petition under this section. The petition shall be clearly identified as an election instead of the general adjustments authorized by section 206(b). The Rent Administrator shall accord an expedited review process for these petitions and shall issue and publish a final decision within 90 days after the petition has been filed.

"(2) In the case of any petition filed under this subsection as to which a final decision has not been rendered by the Rent Administrator at the end of 90 days from the date of filing of the petition and as to which the housing provider is not in default in complying with any information request made under section 216, the rent charged adjustment requested in the petition may be conditionally implemented by the housing provider at the end of the 90-day period; provided, that the conditional rent increase for an affected unit shall not exceed 5% of the rent charged.

"(3) A conditional rent charged adjustment shall be subject to subsequent modification by the final decision of the Rent Administrator on the petition. If a hearing has been held on the petition, the Rent Administrator shall, by order served upon the parties at least 10 days before the expiration of the 90 days, make a provisional finding as to the rent charged adjustment justified by the order, if any. Except to the extent modified by this section, the adjustment procedures of section 216 shall apply to any adjustment.

"(4) If the Rent Administrator denies the requested rent increase or approves a rent increase that is less than the amount of the conditional rent increase charged by the housing provider, the housing provider shall refund to the tenant within 21 calendar days of the Rent Administrator's order any rent paid in excess of the amount approved by the Rent Administrator, except that the tenant may elect within 14 calendar days of the Rent Administrator's order to apply the amount of the refund as a credit against future rental payments."

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Budget Director 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.

(a) 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

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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.

(b) This act shall expire after 225 days of its having taken effect.

Chairman Council of the District of Columbia

Mayor District of Columbia