

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Rental Housing Act of 1985 to limit the amount of a hardship petition conditional rent increase to 5% of the rent charged for housing providers with negative net income, and to require that any rent adjustment owed to a tenant be repaid by a housing provider 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 Amendment Act of 2016”.

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

“(c) 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.”

(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)(A) 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 housing provider may conditionally implement an adjustment of the rent charged, at the end of the 90-day period, in accordance with this paragraph.

“(B)(i) The conditional adjustment of the rent charged that shall be available to the housing provider for an affected unit shall be based upon the Rent Administrator’s

hardship petition form completed by the housing provider and returned to the Rent Administrator.

“(ii) If the hardship petition form indicates that the net income of the housing provider for the affected units is negative, the conditional adjustment of the rent charged for the affected units shall not exceed 5% of the current rent charged.

“(iii) If the hardship petition form indicates that the net income of the housing provider for the affected units is positive, the housing provider may not implement a conditional adjustment of the rent charged.

“(3) A conditional adjustment of the rent charged 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-day period commenced pursuant to paragraph (2) of this subsection, make a provisional finding as to the rent increase justified by the order, if any. Except to the extent modified pursuant to section 206 or 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 adjustment of the rent charged by the housing provider, the housing provider shall refund to the tenant within 21 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 days of the Rent Administrator’s order to apply any amount of the refund not yet refunded by the housing provider to the tenant, as a credit against future rental payments.”.

Sec. 3. 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. 4. 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

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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