

OFFICE OF COUNCILMEMBER ANITA BONDS CHAIR, COMMITTEE ON EXECUTIVE ADMINISTRATION AND LABOR THE JOHN A. WILSON BUILDING 1350 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20004

December 21, 2023

Nyasha Smith, Secretary Council of the District of Columbia 1350 Pennsylvania Avenue, N.W. Washington, DC 20004

Dear Secretary Smith,

Today, along with Councilmember Vincent C. Gray, I am introducing the "Licensing for Accountability of Management of Properties (LAMP) Amendment Act of 2023". Please find enclosed a signed copy of the legislation that requires entities that provide property management services in the District of Columbia to be licensed pursuant to applicable District laws.

In 2015, the U.S. Attorney's Office for the District of Columbia published a case, United States of America v. Lorraine Cyr, which found property manager Lorraine Cyr worked for Property Management Company A and subsequently established her own property management company, Lorraine Cyr Management Group, Inc. During both tenures of employment, Ms. Cyr embezzled over \$380,000 from her clients and used them for trips, gambling, purchases, and other lifestyle spendings. The embezzlement activities took place from 2001-2011, which harmed various small property owners, including some housing co-operatives.

Currently, DC Code §47-2853.183 requires individual property managers to obtain a professional license from the Real Estate Commission, but the organization that operates as a property management company or entities that provide such services are not required to obtain a specific licensure as a real estate organization. Absent a licensing requirement for an entity that provides management services, there is no mechanism to hold such entity accountable for any wrongdoing or violation of business law, and those innocent victims are left without recourse for the wrongs done against them.

Based on requests from stakeholders, the Real Estate Commission, and cases like Lorraine Cyr, this legislation is necessary to shed light on property management entities that operate in the

District to prevent future wrongdoing by individual property managers and property management entities. As the local District of Columbia government, we must ensure that our residents and businesses are protected from bad actors who prey on innocent victims.

Should you have any questions about this legislation, please contact Aimellia Siemson, Senior Advisor and Counsel, at <u>asiemson@dccouncil.gov</u> or (202) 724-8171.

Thank you,

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Anita Bonds

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10 11 12	A BILL
13 14 15	IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
16 17 18	To amend Title 47 of the District of Columbia Official Code to require entities that provide property management services be licensed.
19 20	BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, that this
21	act may be cited as the "Licensing for Accountability of Management of Properties (LAMP)
22	Amendment Act of 2023".
23	Sec. 2. Part O of subchapter I-B of Chapter 28 of Title 47 of the District of Columbia
24	Official Code is amended as follows:
25	(a) The table of contents is amended by adding a new section heading to read as follows:
26	"§ 47-2853.183a. Licensure of property management firms.".
27	(b) A new section 47-2853.183a is added to read as follows:
28	"§ 47-2853.183a. Licensure of property management firms.
29	"(a) No firm, franchise, partnership, association, or corporation that provides property
30	management services, including an individual who is a property manager who employs another
31	individual as a property manager, shall operate in the District without a property management
32	firm license.

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33 "(b) To obtain a property management firm license, an applicant must demonstrate to the34 Mayor that:

35	"(1) The firm is licensed pursuant to applicable District and federal laws;
36	"(2) Every member, partner, trustee, or officer who is engaged in property
37	management activities for the firm is licensed as a property manager;
38	"(3) The firm has a designated lead property manager for each property at which
39	it provides property management services; and
40	"(4) Every employee who will render professional services on behalf of the firm
41	holds a valid license or certificate issued by the Real Estate Commission.
42	Sec. 4. Fiscal impact statement.
43	The Council adopts the fiscal impact statement in the committee report as the fiscal
44	impact statement required by section 4a of the General Legislative Procedures Act of 1975,
45	approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).
46	Sec. 5. Effective date.
47	This act shall take effect following approval by the Mayor (or in the event of veto by the
48	Mayor, action by the Council to override the veto), a 30-day period of Congressional review as
49	provided in section 602(c)(l) of the District of Columbia Home Rule Act, approved December
50	24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(l)), and publication in the District of
51	Columbia Register.

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