

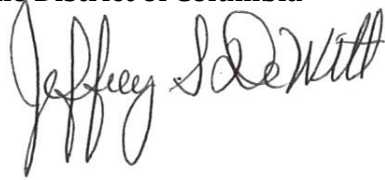
Government of the District of Columbia  
Office of the Chief Financial Officer



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer 

**DATE:** December 27, 2018

**SUBJECT:** Fiscal Impact Statement – Landlord Accountability through Expedited Receivership Amendment Act of 2019

**REFERENCE:** Draft bill provided to the Office of Revenue Analysis on December 18, 2018

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**Conclusion**

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

**Background**

Under current law the Office of the Attorney General (OAG) may petition a Court to place a rental housing property into receivership, if the property poses a threat to the health, safety, or security of tenants. While under receivership, a third-party receiver manages the property, collecting rent and making improvements to the property to meet health and safety standards.

The bill authorizes the Mayor to request OAG to petition a Court to place a specific property into receivership and outlines a process for such a request. The bill also shortens the timeframe for when a hearing on the petition must be held from 30 days to no more than ten business days.

The bill authorizes the Court to order owners of the subject rental housing property to contribute funds (in addition to normal rent revenue) to make repairs to the property, reimburse the District for any repairs made, relocate displaced tenants, pay for receivership costs, or pay for any other costs associated with the ordinary business of the property. The Court may not terminate the receivership until the District is reimbursed for all expenses related to repairs, fines, infractions, and penalties.

The Honorable Phil Mendelson

FIS: "Landlord Accountability through Expedited Receivership Amendment Act of 2019," Draft bill provided to the Office of Revenue Analysis on December 18, 2018.

### **Financial Plan Impact**

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill. The changes made to the receivership process do not require any additional resources for the Department of Consumer and Regulatory Affairs (DCRA) or OAG. DCRA already refers cases to OAG. The bill outlines a more specific process but does not change current practice. OAG will retain its ability to independently determine which cases to pursue within its current resources.