

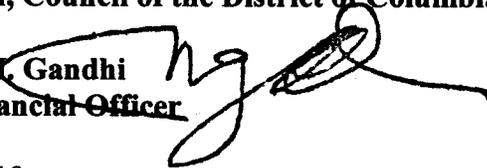
**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: July 9, 2010

SUBJECT: Fiscal Impact Statement – “Rent Increase Emergency Amendment Act of 2010”

REFERENCE: Draft Legislation - No bill number available

Conclusion

Funds are sufficient in the FY 2010 budget and FY 2011 through FY 2014 budget and financial plan to implement the proposed legislation.

Background

The proposed legislation would amend the Rental Housing Act of 1985 (“Act”)¹ to require housing providers to wait until the Rent Administrator’s final decision is made regarding a hardship petition before implementing a rent adjustment.

Financial Plan Impact

Funds are sufficient in the FY 2010 budget and FY 2011 through FY 2014 budget and financial plan to implement the proposed legislation. Currently, if the Rent Administrator’s decision on a hardship petition isn’t made within 90 days, the housing provider can conditionally implement the new rent.² In FY 2009, the Rent Administrator received 32 hardship petitions and through June of FY 2010, the Rent Administrator received four hardship petitions. Because the number

¹ Effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code §42-3500)

² Subject to subsequent modification by the final decision of the Rent Administrator on the petition.

of hardship petitions filed is low and the proposed legislation would only be in effect for 90 days, it would have a negligible effect on tax collections.