


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: June 22, 2016

SUBJECT: Fiscal Impact Statement – Residential Lease Amendment Act of 2015

REFERENCE: Bill 21-420, Draft Committee Print sent to the Office of Revenue
Analysis on June 20, 2016

Conclusion

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill.

Background

The bill strengthens¹ the rights of tenants in rental housing. Specifically, the bill:

- Prohibits a landlord from charging a fee for services or facilities on top of rent, if the fee pushes the rent beyond the amount allowed under rent control;
- Allows a landlord to enter a rental unit only if the landlord has a reasonable purpose, enters at a reasonable time, and has provided the tenant with reasonable notice;
- Requires leases to have addendums notifying a tenant of the amount and expiration date of a rent adjustment due to a capital improvement petition;
- Requires a landlord to mitigate the damages to a tenant if a tenant breaks a lease early or does not move into a unit for which they signed a lease;
- Clarifies that a tenant on a month-to-month lease is never required to provide more than 30 days' notice if they wish to move out of the rental unit;
- Restricts the use of lease provisions that require a tenant to provide more than a 30-day notice when the wish to move out;
- Prohibits a landlord from unreasonably withholding consent when a lease permits subletting with the consent of the landlord;

¹ By amending the Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Code § 42-3501.01 et seq.)

The Honorable Phil Mendelson

FIS: B21-420, "Residential Lease Amendment Act of 2015," Draft Committee Print sent to the Office of Revenue Analysis on June 20, 2016

- Makes a landlord liable for damages if the landlord knowingly puts in a lease something prohibited by law; and
- Protects tenants from being liable for ordinary wear and tear in an apartment.

Financial Plan Impact

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. Since the bill affects interactions between landlords and tenants, it will have minimal impact on District government operations. It is possible that violations of the bill will lead to cases that the Office of Administrative Hearings will need to adjudicate, but OAH believes the bill will not have a significant impact on its workload.