


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



Glen Lee
Chief Financial Officer

MEMORANDUM

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

FROM: Glen Lee
Chief Financial Officer 

DATE: November 21, 2024

SUBJECT: Fiscal Impact Statement – Pets in Housing Amendment Act of 2024

REFERENCE: Bill 25-827, Draft Committee Print as provided to the Office of Revenue Analysis on November 20, 2024

Conclusion

Funds are not sufficient in the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill. The bill will cost \$642,000 in fiscal year 2025 and \$2.4 million over the four-year budget and financial plan.

Background

Under current law¹ and regulations², housing providers may require prospective tenants to pay refundable security deposits, including those associated with the residence of common household pets. Beginning October 1, 2025, the bill sets a cap on security deposits for pets³ at a maximum of 15 percent of the monthly rent for the unit. Additionally, the pet deposit can only be withheld for compensation for damages directly caused by a pet, not due to ordinary wear and tear. Tenants will bear responsibility for any damage beyond ordinary wear and tear by a pet that exceeds the security deposit. The bill also authorizes housing providers to charge additional rent for common household pets, provided that the amount does not exceed one percent of the first full month's rent. Service animals required by a tenant with a disability are exempt from paying differential rent or a pet security deposit.

¹ D.C. Official Code § 42-3505.10

² 14 DCMR §§ 308 through 311.

³ The bill defines household pets to include domestic dogs, cats, rodents, rabbits, captive-bred common cage birds, nonvenomous snakes, fish, turtles, and ferrets.

The Honorable Phil Mendelson

FIS: Bill 25-827, "Pets in Housing Amendment Act of 2024," Draft Committee Print as provided to the Office of Revenue Analysis on November 20, 2024.

The bill allows housing providers to establish reasonable pet policies to ensure the safety and maintenance of the property, including limitations on the number of pets in a unit. Beginning October 1, 2026, the bill prohibits restrictions on tenancy or differential fees or rent for a household pet based on a pet's breed, size, or weight.

Lastly, the bill requires the Department of Human Services (DHS) to ensure that at least one low-barrier shelter has some space available for residents accompanied by a household pet.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill. The bill will cost \$642,000 in fiscal year 2025 and \$2.4 million over the four-year budget and financial plan.

Statutory appeal mechanisms exist within current resources to enforce proper housing deposit requirements. Prospective tenants may file complaints with the Office of Human Rights⁴ for unlawful discriminatory tenant screening processes, including security deposit requirements. The Housing Resource Center within the Department of Housing and Community Development accepts petitions alleging unlawful rent practices, and tenants can litigate rent and fee practices in DC Superior Court⁵. No additional costs are estimated for these processes.

DHS will require funding to develop and operate a pet-friendly shelter, including consultant services to assist with logistics and process development, additional shelter staffing and training on pet safety, and increased facilities maintenance, repair, and security costs. There are potential additional costs not included in this estimate that may become evident as the planning unfolds, including potential physical changes to shelter space.

Pets in Housing Amendment Act of 2024					
Fiscal Impact					
(\$ thousands)					
	FY 2025	FY 2026	FY 2027	FY 2028	Total
Contract personnel costs - increase in residential staffing and pet safety training	\$190	\$194	\$197	\$201	\$782
Consulting services to develop requirements and processes to operate a pet-friendly shelter	\$64	\$0	\$0	\$0	\$64
Non-Personal services - Building maintenance and repair costs, security, and supplies	\$389	\$396	\$404	\$411	\$1,600
Total Cost	\$642	\$590	\$601	\$612	\$2,445

⁴ D.C. Official Code § 42-3505.10(h)(1).

⁵ D.C. Official Code § 42-3505.10(i)(1).