


Councilmember Janeese Lewis George

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To preserve foreclosure protections, on an emergency basis, for homeowners who applied for funding from the DC Homeowner Assistance Fund program before September 30, 2022 and the homeowner’s application remains under review, pending approval, pending payment, or under appeal, and to require regular application status updates be provided to homeowners until their application is resolved.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Foreclosure Moratorium and Homeowner Assistance Fund Coordination Emergency Amendment Act of 2022”.

Sec. 2. Foreclosure moratorium.

(a)(1) From July 1, 2022, through September 30, 2022, no residential foreclosure may be initiated or conducted under section 539 or section 95 of An Act To establish a code of law for the District of Columbia, approved March 3, 1901 (31 Stat. 1274/1204; D.C. Official Code §§ 42-815 and 42-816) ("section 539 or section 95"), no sale may be initiated or conducted under section 313(c) of the Condominium Act of 1976, effective March 29, 1977 (D.C. Law 1-89; D.C. Official Code § 42-1903.13(c)), and no judgment foreclosing the right of redemption shall be entered under D.C. Official Code § 47-1378 if:

34 (A) A homeowner or their representative applies for financial assistance to
35 cure a debt or default with funds from the Department of Housing and Community
36 Development's DC Homeowner Assistance Fund ("DC HAF"), or a similar government fund
37 established to assist homeowners impacted by the COVID-19 public emergency or public health
38 emergency declared pursuant to the District of Columbia Public Emergency Act of 1980,
39 effective March 5, 1981 (D.C. Law 3-149; D.C. Official Code § 7-2301 *et seq.*) ("financial
40 assistance application");

41 (B) The financial assistance application is under review, pending approval,
42 pending payment, or under appeal; and

43 (C) Proof of the financial assistance application status described in
44 subparagraph (B) of this paragraph is presented, as a paper copy or through an electronic
45 medium, including through communications facilitated by the online DC HAF application portal,
46 to the mortgage lender, condominium association, homeowners association, or tax sale
47 purchaser, or to an agent acting as a representative for any housing or financing entity to which a
48 homeowner is indebted.

49 (2)(A) Beginning on July 25, 2022, a mortgage lender, condominium association,
50 homeowners association, or tax sale purchaser, or an agent acting as a representative for any
51 housing or financing entity to which a homeowner is indebted, may begin to send notices to warn
52 of intention to initiate or continue foreclosure actions, but no foreclosure action described in
53 paragraph (1) of this subsection may proceed prior to 30 days after a homeowner is first sent a
54 warning notice.

55 (B) Before September 30, 2022, all foreclosure notices and foreclosure
56 warning notices sent pursuant to subparagraph (A) of this paragraph shall:

57 (i) Be sent by postal and electronic mail to a homeowner's last
58 known home and email address;

59 (ii) Inform the homeowner of DC HAF and the program's potential
60 ability to cure eligible housing debts, including the specific type of debt or debts owed to the
61 entity sending the notice; and

62 (iii) Explain the September 30, 2022, deadline to apply to DC HAF
63 to delay or prevent further foreclosure action.

64 (3) The Mayor, or the Mayor's designee, shall ensure that a homeowner applying
65 for DC HAF relief, or for similar government funds established to assist homeowners impacted
66 by the COVID-19 public emergency or public health emergency declared pursuant to the District
67 of Columbia Public Emergency Act of 1980, effective March 5, 1981 (D.C. Law 3-149; D.C.
68 Official Code § 7-2301 *et seq.*), is provided with documentation in a timely manner that will
69 enable the applicant to present proof of financial assistance application status as described in
70 paragraph (1)(C) of this subsection.

71 (b)(1) If a homeowner submitted a DC HAF financial assistance application prior to
72 September 30, 2022, provided proof of the application status pursuant to subsection (a)(1)(C) of,
73 and the application remains under review, pending approval, pending payment, or under appeal
74 as of September 30, 2022, until such time as DC HAF payments can be made or a homeowner's
75 application is denied following appeal, if any, the homeowner shall not be subject to a:

76 (A) Residential foreclosure initiated or conducted under section 539 or
77 section 95 ;

78 (B) Sale initiated or conducted under section 313(c) of the Condominium
79 Act of 1976, effective March 29, 1977 (D.C. Law 1-89; D.C. Official Code § 42- 1903.13(c));
80 or

81 (C) Judgment foreclosing the right of redemption under D.C. Official
82 Code § 47-1378.

83 (2)(A) The Mayor shall make every effort to make DC HAF payments as quickly
84 as practicable to qualified homeowners, their representatives, or housing or financing entities to
85 which a homeowner is indebted to cure any debts or defaults eligible for assistance.

86 (B) The Mayor shall provide biweekly, written application status updates
87 to all homeowners who have a DC HAF application under review, pending approval, pending
88 payment, or under appeal until such time as DC HAF payments can be made or until a
89 homeowner's application is denied following appeal, if any. An update may be provided
90 electronically by way of the online DC HAF application portal.

91 Sec. 3. Fiscal impact statement.

92 The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact
93 statement required by section 4a of the General Legislative Procedures Act of 1975, approved
94 October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

95 Sec. 4. Effective date.

96 This act shall take effect following approval by the Mayor (or in the event of a veto by
97 the Mayor, action by the Council to override the veto), and shall remain in effect for no longer
98 than 90 days, as provided for emergency acts of the Council of the District of Columbia in
99 section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87
100 Stat. 788; D.C. Official Code§ 1-204.12(a)).