

Councilmember Elissa Silverman

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To continue, on an temporary basis, existing requirements for providers of commercial or residential rental property to offer a rent payment plan for a minimum of one year for certain tenants until July 25, 2022 and to establish minimum requirements for such a plan.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Tenant Payment Plan Phasing Continuation Temporary Act of 2022”.

Sec. 2.

Tenant Payment Plans.

(a) From March 11, 2020 through July 25, 2022 (“program period”), a provider shall offer a rent-payment-plan program (“program”) for eligible tenants. Under its program, a provider shall:

(1) Make a payment plan available to an eligible tenant for the payment of gross rent, contractual increases agreed to in a commercial lease’s rent escalation tables, and any other amounts that come due under the lease during the program period and prior to the cessation of tenancy (“covered time period”), with a minimum term length of one year unless a shorter payment plan term length is requested by the eligible tenant.

(2) Waive any fee, interest, or penalty that arises out of an eligible tenant entering into a payment plan;

(3) Not report to a credit reporting agency as delinquent the rent subject to the payment plan;

(4) Provide that an eligible tenant does not lose any rights under the lease by entering into the payment plan; and

(5) Notify all tenants of the availability, terms, and application process for its program.

(b)(1) Tenants entering into a payment plan shall be required to make payments in equal monthly installments for the duration of the payment plan unless a different payment schedule is requested by the tenant.

(2) A provider shall permit a tenant that has entered into a payment plan to pay an amount greater than the monthly amount provided for in the payment plan.

(3) A provider shall not require or request a tenant to provide a lump-sum payment under a payment plan.

(4) A provider shall agree in writing to the terms of a payment plan.

(c) A provider shall utilize existing procedures or, if necessary, establish new procedures to provide a process by which an eligible tenant may apply for a payment plan, which may include requiring the tenant to submit supporting documentation. A provider shall permit an application for a payment plan to occur online and by telephone.

(d) A provider shall approve each application for a payment plan submitted during a covered time period in which an eligible tenant:

(1) Demonstrates to the provider evidence of a financial hardship resulting directly or indirectly from the COVID-19 public health emergency, regardless of an existing delinquency or a future inability to make rental payments established prior to the start of the COVID-19 public health emergency; and

(2) Agrees in writing to make payments in accordance with the payment plan.

(e)(1) A provider who receives an application for a payment plan shall retain the application, whether approved or denied, for at least 3 years.

(2) Upon request of the tenant, a provider shall make an application for a payment plan available to:

(A) For residential tenants, the Rent Administrator, Office of the Tenant Advocate; and

(B) For commercial tenants, the Department of Consumer and Regulatory Affairs.

(f)(1) A residential tenant whose application for a payment plan is denied may file a written complaint with the Rent Administrator. The Rent Administrator shall forward the complaint to the Office of Administrative Hearings for adjudication.

(2) A commercial tenant whose application for a payment plan is denied may file a written complaint with the Department of Consumer and Regulatory Affairs.

(g) Tenant payment plans may not contain any waiver of the tenant's rights under the tenant's lease or District of Columbia law. A tenant entering into a tenant payment plan retains the right to contest the amount of rent due unless this is agreed to in writing by both parties.

(h) During the program period, unless the provider has offered a rent payment plan pursuant to this section and approved a rent payment plan pursuant to subsection (d) of this

section, that provider shall be prohibited from filing any collection lawsuit or eviction for nonpayment of rent; provided, that the tenant does not default on the terms of the payment plan.

(i) For the purposes of this act, the term:

(1) "COVID-19 public health emergency" means the emergencies declared in the Declaration of Public Emergency (Mayor's Order 2020-045) together with the Declaration of Public Health Emergency (Mayor's Order 2020-046), declared on March 11, 2020, including any extension of those declared emergencies.

(2) "Eligible tenant" means a tenant that:

(A) Has notified a provider of an inability to pay all or a portion of the rent due as a result of the COVID-19 public health emergency;

(B) Is not a franchisee unless the franchise is owned by a District resident;

and

(C) Has leased from a provider:

(i) A residential property;

(ii) Commercial retail space; or

(iii) Commercial space that is less than 6,500 square feet in size and that comprises all or part of a commercial building.

(3) "Housing provider" means a person or entity who is a residential landlord, residential owner, residential lessor, residential sublessor, residential assignee, or the agent of any of the foregoing or any other person receiving or entitled to receive the rents or benefits for the use or occupancy of any residential rental unit within a housing accommodation within the District.

(4) “Non-housing provider” means a person or entity who is a non-residential landlord, non-residential owner, non-residential lessor, non-residential sublessor, non-residential assignee, a non-residential agent of a landlord, owner, lessor, sublessor, or assignee, or any other person receiving or entitled to receive rents or benefits for the use or occupancy of a commercial unit.

(5) “Provider” means a housing provider or a non-housing provider.

Sec. 3. Section 3(r) of the Public Emergency Extension and Eviction and Utility Moratorium Phasing Temporary Amendment Act of 2021, effective October 27, 2021 (D.C. Law 24-39; D.C. Official Code § 42-3192.01(f-1)), shall expire on February 4, 2022.

Sec. 4. Fiscal impact statement.

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

Sec. 5. Effective date.

(a) This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

(b) This act shall expire after 225 days of its having taken effect.