

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 whose applications remain under review, pending approval, pending payment, or under appeal, and to require notices continue to be sent to homeowners informing them of the DC HAF program prior to a foreclosure action.

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 2024”.

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:

(A) A homeowner or their representative applies for financial assistance to cure a debt or default with funds from the Department of Housing and Community Development’s DC Homeowner Assistance Fund (“DC HAF”), or a similar government fund established to assist homeowners impacted by the COVID-19 public emergency or public health

33 emergency declared pursuant to the District of Columbia Public Emergency Act of 1980,  
34 effective March 5, 1981 (D.C. Law 3-149; D.C. Official Code § 7-2301 *et seq.*) (“financial  
35 assistance application”);

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

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

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

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

52 (i) Be sent by postal and electronic mail to a homeowner’s last  
53 known home and email address;

54 (ii) Inform the homeowner of DC HAF and the program’s potential  
55 ability to cure eligible housing debts, including the specific type of debt or debts owed to the  
56 entity sending the notice; and

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

59 (C) After October 1, 2022, all foreclosure notices and foreclosure warning  
60 notices sent pursuant to subparagraph (A) of this paragraph shall:

61 (i) Be sent by postal and electronic mail to a homeowner’s last  
62 known home and email address; and

63 (ii) Inform the homeowner of DC HAF and the program’s potential  
64 ability to cure eligible housing debts, including the specific type of debt or debts owed to the  
65 entity sending the notice.

66 (D) If, prior to the effective date of the Foreclosure Moratorium and  
67 Homeowner Assistance Fund Coordination Emergency Amendment Act of 2022, effective  
68 November 22, 2022 (D.C. Act 24-674; D.C. Official Code § 42-851.01), a mortgage lender,  
69 condominium association, homeowners association, or tax sale purchaser, or an agent acting as a  
70 representative for any housing or financing entity to which a homeowner is indebted sent a  
71 notice of an intention to initiate, notice to initiate, or notice to continue foreclosure actions  
72 without information about DC HAF, a new notice must be sent prior to the continuation of any  
73 foreclosure action informing the homeowner of the availability of DC HAF and the program’s  
74 potential ability to cure eligible housing debts, including the specific type of debt or debts owed  
75 to the entity sending the notice;

76 (3) The Mayor, or the Mayor’s designee, shall ensure:

77 (A) A homeowner applying for DC HAF relief, or for similar government  
78 funds established to assist homeowners impacted by the COVID-19 public emergency or public  
79 health emergency declared pursuant to the District of Columbia Public Emergency Act of 1980,  
80 effective March 5, 1981 (D.C. Law 3-149; D.C. Official Code § 7-2301 *et seq.*), is provided with  
81 documentation in a timely and ongoing manner that will enable the applicant to present proof of  
82 financial assistance application status as described in paragraph (1)(C) of this subsection; and

83 (B) Editable sample foreclosure warning notices which include  
84 information about debt relief available through DC HAF are published on the DC HAF website  
85 for use by housing or financing entities to which a homeowner may be indebted.

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

92 (A) Residential foreclosure initiated or conducted under section 539 or  
93 section 95;

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

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

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

101                   Sec. 3. Fiscal impact statement.

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

105                   Sec. 4. Effective date.

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