

Testimony of Gabriel Fineman on October 29, 2018 about  
Bill 22-0998, "Rent Charged Clarification Amendment Act of 2018"

Good morning. My name is Gabriel Fineman and I would like to talk about the plight of the thousands of tenants who have concession leases and why bill 22-0998 is so badly needed.

I brought a tenant petition up to the Rental Housing Commission and the Commission ruled that the 2006 amendments to the rental housing act meant exactly what they said and abolished rent ceilings back in 2006. That is, the Commission ruled that large landlords that used concession leases based on these rent ceilings have been charging illegally high rents for the last 12 years.

This bill enacts into the statutes this ruling by the Rental Housing Commission with much more specificity, and adds additional protections for consumers. Those include eliminating the practices of bait and switch advertising that are currently being litigated by the Attorney General against my old landlord at 3003 Van Ness.

This bill is desperately needed now because the landlords have chosen to completely ignore the ruling of the Rental Housing Commission and are seeking to overturn it on technicalities. The court cases will probably take several more years to resolve. In the meantime, hundreds of millions of dollars will be overcharged to tenants who have little recourse except to hire a lawyer and individually challenge the increase at a rather hostile Office of Administrative Hearings and then spend years going through the appeals process.

In addition, similar amounts are being lost by the landlords (and tax revenue lost to the City) by the increased number of vacant apartments currently waiting to be rented when families are forced out of their homes and the apartments are repainted, re-advertised and owners struggle to find new tenants able to rent them at the inflated prices. Only the landlords win by boosting the average rent and thus the paper value of the buildings, while the tenants all loose.

Just as aggravating is the fact that the entire purpose of rent stabilization is to stabilize rents so that rent increases are both predictable and reflect the actual changes in the costs of the landlords. The use of concession leases (that this bill eliminates) forces tenants to negotiate their rents each year with the landlord. This is hardly an equal negotiation since most tenants will pay some sort of premium not to have to move and the landlord negotiates several of these leases every day. It is very stressful for the tenant. But the key thing to remember is that this negotiation is not supposed to take place at all because rents are stabilized under the law. These negotiations only occur because the landlords have been able to circumvent the law through legal loopholes that will now be close by this bill.

I urge you in the strongest possible terms to pass this bill as introduced and bring relief to the many renters in the District of Columbia.