GOVERNMENT OF THE DISTRICT OF COLUMBIA RENTAL HOUSING COMMISSION

SUPPLEMENTAL NOTICE OF REVISED RENT ADJUSTMENT OF GENERAL APPLICABILITY

EFFECTIVE JUNE 29, 2023

BACKGROUND

- On June 29, 2023, D.C. Bill 25-293, the Rent Stabilized Housing Inflation Protection Emergency Amendment Act of 2023 ("Inflation Protection Act") became effective. The Inflation Protection Act amends the Rental Housing Act of 1985 ("RHA") to reduce the allowable, annual inflation-based rent adjustment ("CPI-W Adjustment") for rental units subject to the Rent Stabilization Program.
- The Rental Housing Commission ("Commission") previously determined that the CPI-W Adjustment for 2023, which took effect May 1, 2023, would be 8.9% in general, and 5% for units occupied by elderly tenants and tenants with a disability.¹
- This notice amends the Commission's earlier determinations pursuant to the Inflation Protection Act and explains housing providers' responsibilities under the RHA, as amended.² All other determinations and adjustments remain in effect.

REVISED 2023 LIMITS

- No CPI-W Adjustment implemented on or after July 1, 2023 shall exceed 6% of the rent charged on June 30, 2023.
- No CPI-W Adjustment for a rental unit occupied by a tenant **age 62** years or older or tenant with a **disability** on or after July 1, 2023 shall exceed **4% of the rent charged** on June 30, 2023.

PENDING & FUTURE RENT INCREASES

• Any housing provider that has, prior to June 29, 2023, given a tenant notice of a rent adjustment to be effective on or after July 1, 2023 that would exceed the

¹ See 70 *D.C. Reg.* 001972 (Feb. 10, 2023); <u>https://rhc.dc.gov/publication/2023-cpi-rent-adjustment-general-applicability-and-qualifying-incomes-rent-exemptions</u>

² The Inflation Protection Act provides limits that apply for two years, until June 30, 2025. As emergency legislation, however, this act will expire in 90 days. The Commission assumes for the purposes of this notice that the Council will enact temporary or permanent legislation to extend these amendments for the remainder of the intended period. This notice will remain in effect, without reissuance, so long as substantially identical provisions to the Inflation Protection Act remain in effect. This notice will cease to have any effect if the provisions of the Inflation Protection Act are not extended. The Commission's subsequent, regular annual notices of inflation-based adjustments, to be issued by March 1 of each year, will reflect the applicable law at the time they are issued.

limits stated above shall give the tenant written notice of the reduced adjustment as soon as possible.

- Notice to a tenant of a reduced rent adjustment does **not need to be on Rental** Accommodations Division ("RAD") Form 8, if RAD Form 8 was previously used to give the tenant notice of the higher adjustment.
- If a tenant pays or has paid any rent based on a previously noticed rent adjustment taking effect on or after July 1, 2023 that exceeds the applicable limit stated in this notice, the housing provider shall **refund the excess rent received** to the tenant within 30 days of receipt of the rent or by August 1, 2023, whichever is later.
- Certificates of all rent adjustments must be filed with RAD on **RAD Form 9** within 30 days of their effective date, stating the actual amount of rent being charged.³ A copy of the actual RAD Form 8 (or acceptable sample copy for multiple units) served shall be attached to RAD Form 9, even if it states an amount of rent charged that was reduced before taking effect. This requirement applies whether or not a rent adjustment is affected by the Inflation Protection Act.
- If, pursuant to the previously determined CPI-W Adjustment, a tenant's rent was increased between May 1, 2023 and June 30, 2023 in excess of the applicable limit stated in this notice, a lower limit may apply to the CPI-W Adjustment that will take effect on May 1, 2024.⁴

The Rental Housing Commission may be contacted at:

441 4th Street, NW Suite 1140B-N Washington, DC 20001 (202) 442-8949 (main); (202) 442-9535 (alt) https://rhc.dc.gov

³ See 14 D.C.M.R § 4204.10.

⁴ The Inflation Protection Act provides a cumulative cap on rent increases between May 1, 2023 and April 30, 2025 of twice the applicable annual cap. The Commission cannot determine at this time whether inflation for the remainder of calendar year 2023 will cause the 2024 CPI-W adjustment to trigger any statutory cap.