



Rent Stabilization Protection Amendment Act of 2023

Council Committee on Housing

Testimony of David Marlin, Trustee, Committee of 100 on the Federal City

My name is David Marlin and I am appearing on behalf of the Committee of 100 on the Federal City to support the Rent Stabilization Protection Amendment Act of 2023 introduced by Matthew Frumin, Councilmember from Ward 3. We are delighted that this pending legislation is supported by a majority of the Council.

This proposal seeks to reform flaws that have developed in the voucher program administered by the District of Columbia Housing Authority (DCHA). HUD, the federal housing agency, has provided funding to DCHA for Section 8 vouchers, known as HCVP vouchers, to house low- and moderate-income District residents in privately owned housing. In response, the DC government created a housing voucher program patterned on Section 8 which is administered by DCHA. These voucher payments, which supplement tenant contributions, frequently have been too large, often because DCHA accepts whatever rent a landlord requests. This legislation will require DCHA to comply with a standard of reasonableness when calculating its rent subsidies in rent-stabilized buildings, also known as rent controlled buildings.

A recent HUD audit documented the disparities in the rents paid through the voucher program and the rents charged in rent control buildings, in violation of federal and District laws and regulations. The Washington Post has estimated that unreasonable voucher payments have exceeded \$1 million per month. Clearly, more vouchers could be financed if windfall rent payments were eliminated. We have several recommendations for improving the legislation.

1. Relying on DCHA to create a rent-reasonable assessment process may take some time. We urge this legislation be modified to require DCHA to pay no more for a voucher tenant than the last rent charged for a tenant who occupied that rent-stabilized unit until DCHA has created a system that bases the voucher rent on the lower of the reasonable rent for the unit or the last rent-stabilized rent. The need for this recommendation is immediate to conserve Section 8 funds, permit more deserving tenants to receive vouchers (the waitlist for vouchers has been closed since 2013), prevent some landlords from exploiting the program and, importantly, ending the erosion of rent controlled units.
2. DCHA will need to ensure it has the staff needed to implement rent reasonableness calculations for all rent-stabilized units where vouchers may be used. We recommend that DCHA be required to publish its new formula of rent reasonableness for comments before implementation. Close oversight by the Council may be necessary and we are confident this Committee will be involved.

We also want to strongly recommend that the Committee on Housing, chaired by CM Robert White, revisit and hold hearings to reform the rent control statute. As you would know, extensive hearings were held in 2000 at which dozens of tenants, tenant organizations, landlords and their ally the Apartment and Office Building Association (AOBA), the Legal Aid Society, the Office of Tenant Advocate, the leadership of DHCD and others testified. The only results of this great interest in reforming the rent stabilization program were two existing moratoria affecting Voluntary Agreements and Certificates of Assurance. The latter has prevented the District from expanding rent control to buildings constructed after 1975. The cans have been kicked down the road. It's time for legislative reform.

Thank you for this opportunity to testify.

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