



**Testimony of Evan Henley
Staff Attorney, Housing Unit
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**Before the Committee of the Whole
Council of the District of Columbia**

Budget Oversight Hearing Regarding the Department of Consumer and Regulatory Affairs

March 29, 2018

The Legal Aid Society of the District of Columbia¹ submits this testimony regarding the Mayor's FY19 budget proposal for the Department of Consumer and Regulatory Affairs (DCRA). Through public testimony delivered over the last year, Legal Aid has highlighted the issues we most commonly see with DCRA, including problems with scheduling inspections, deficiencies in inspections and inspections reports, and the failure to enforce and collect fines.² All of these issues lead to underenforcement of the housing code, meaning that many tenants face unsafe and unhealthy conditions. The Council should ensure that DCRA's budget is sufficient to address these needs and ensure that District tenants are protected by swift and robust housing code enforcement.

Of course, the FY19 budget cannot be viewed in isolation from the currently pending legislation proposing to move many of DCRA's functions related to buildings, including rental housing inspections and enforcement, to a new agency.³ Legal Aid supports this move and continues to urge the Council to go further and create an independent agency dedicated to rental housing inspections and enforcement.⁴ However, so long as housing inspections continue to be housed within DCRA, the agency must work to address the problems with its current inspection and enforcement process and receive adequate funding to support these efforts.

¹ The Legal Aid Society of the District of Columbia was formed in 1932 to "provide legal aid and counsel to indigent persons in civil law matters and to encourage measures by which the law may better protect and serve their needs." Over the last 85 years, tens of thousands of the District's neediest residents have been served by Legal Aid staff and volunteers. Legal Aid currently works in the areas of housing, family law, public benefits, and consumer protection. More information about Legal Aid can be obtained from our website, www.LegalAidDC.org, and our blog, www.MakingJusticeReal.org.

² See Written Testimony of Evan Henley, Public Oversight Roundtable on the Department of Consumer and Regulatory Affairs: Inspection and Enforcement of Tenant Housing (Jul. 25, 2017); Written Testimony of Evan Henley, Public Oversight Roundtable on the Department of Consumer and Regulatory Affairs: Inspection and Enforcement of Tenant Housing (Oct. 2, 2017); Written Testimony of Shavannie Braham and Beth Mellen Harrison, Performance Oversight Hearing on the Department of Consumer and Regulatory Affairs (Mar. 8, 2018), attached as Exhibit 1.

³ Bill 22-669, Department of Buildings Establishment Act of 2018.

⁴ Written Testimony of Shavannie Braham and Beth Mellen Harrison, Performance Oversight Hearing on the Department of Consumer and Regulatory Affairs (Mar. 8, 2018), attached as Exhibit 1.

Therefore, Legal Aid recommends that the Committee work to reconcile the pressing ongoing need for resources directed at residential inspections and enforcement with the possibility that these functions will be moved to another agency within the next few years. The Committee should ask DCRA how its proposed budget is consistent with its need to address the long list of shortcomings that prior oversight hearings have uncovered regarding the housing inspection and enforcement process. In addition, as the Committee simultaneously considers the Mayor's proposed budget and pending legislation, it must ensure that DCRA effectively enforces the housing code during any period of transition to a new agency. Otherwise, many tenants will face conditions that threaten their health and safety.

THE PROPOSED FY19 BUDGET

The Mayor's proposal for FY19 contains reductions in many of the areas that touch on rental housing inspections and enforcement: there are reductions of \$79,000 in the budget for scheduling and enforcement unit and \$86,000 in residential inspections. Most significantly, there is a reduction of \$450,000 in the budget for rehabilitation—these funds are used to correct serious housing code violations when landlords fail to do so, with a lien put on the property for the cost of the repair.

While \$79,000 and \$86,000 may represent the yearly cost of roughly one employee in those units, this is still a substantial reduction for units that are already stretched thin. For example, Legal Aid previously testified about the wide disparity in the number of housing inspectors in Baltimore and the District of Columbia, cities of comparable size (95 in Baltimore versus 14 in D.C.). Moreover, Legal Aid also testified about DCRA's failure to follow-up and pursue and enforce fines when landlords fail to make repairs. These are exactly the tasks performed by the scheduling and enforcement unit.

More significantly, a reduction of \$450,000 in the budget for rehabilitation in the Enforcement Division means that dozens of families could be forced to endure substandard living conditions that DCRA previously would have been able to fix. Legal Aid has called for the expansion of the nuisance abatement fund, which falls under this heading: it is an important tool by which the DC government can engage contractors to summarily correct violations which threaten its residents' health and safety. A reduction of \$450,000 to this budget item will likely have a real human cost: DC residents will be without heat and hot water and will be enduring serious conditions such as leaking roofs that DCRA could have otherwise paid to fix.

LEGAL AID'S RECOMMENDATIONS

Legal Aid understands that the Council is unlikely to divert large amounts of additional resources into DCRA when an overwhelming majority of councilmembers have co-introduced legislation that would shift important functions to a new agency. However, Legal Aid requests that the Council ensure that DCRA's budget for this and subsequent years provide sufficient funds to ensure enforcement of the housing code. At the very least, funding should remain constant from FY2018 for the residential inspections and scheduling and enforcement units.

And the Council should not just restore the \$450,000 reduction, but increase funding for rehabilitation and/or find other sources for funding to increase the nuisance abatement fund.

Revenue and spending under the nuisance abatement fund decreased by over \$3,000,000 between FY2017 and FY2018.⁵ A further reduction in the agency's ability to expeditiously make needed repairs will only exacerbate the public health crisis caused by housing code violations. Further, funds designated for rehabilitation should be primarily used to pay contractors to abate housing code violations, meaning that this spending will be highly efficient irrespective of the future site of responsibility for housing code inspections and enforcement.

Thank you for this opportunity to share our thoughts on the FY19 budget for DCRA. We are eager to continue working with the Council, DCRA, and other stakeholders to realize a more effective system of housing code inspections and enforcement.

⁵ DCRA's Written Responses to Committee Pre-Hearing Questions, 2018 Performance Oversight Hearing 11, available at http://dccouncil.us/files/user_uploads/budget_responses/DCRA_Oversight_Final_-_PACKET.pdf.