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### **WHAT RENTERS SHOULD KNOW ABOUT THE DISTRICT'S NEW RENTAL HOUSING "LATE FEE" LAW**

The "Rental Housing Late Fee Fairness Amendment Act of 2016" (D.C. Law 21-172) took effect on December 8, 2016. Here is what you as a renter in the District of Columbia should know:

**1. Can my housing provider charge me a late fee?**

Yes, but only if your lease or lease addendum says so.

**2. My rent is due on the first of every month. However, I did not pay until the fifth. May the housing provider charge me a late fee?**

No. Your housing provider must wait until at least five days after the day the rent is due before charging a late fee, i.e., the sixth of the month when rent is due on the first.

**3. My lease says the housing provider can charge me a late fee of 10%. Is that allowed?**

No. A late fee may not be greater than 5% of the total amount for which you are responsible. For example, if your rent is \$1,000 per month, the late fee may not exceed \$50.

**4. I have a housing choice voucher. The Housing Authority pays my housing provider \$700 per month, and I am required to pay \$300 per month, which is due on the first of the month. Today is the sixth of the month, and I just paid \$300. How much is my housing provider allowed to charge me as a late fee?**

Your housing provider may charge you a late fee of no more than \$15, which is 5% of the \$300 that you are responsible for paying. The subsidy provider's portion cannot be included in calculating the amount of a tenant's late fee.

- 5. I paid my portion of the rent on time. However, I have a housing choice voucher, and the Housing Authority paid its portion late (or still hasn't paid it at all). May my housing provider charge me a late fee?**

No. Your housing provider may only charge you a late fee based on what you are responsible for paying by yourself and not any portion that gets paid by your subsidy provider.

- 6. I was late paying my rent. My lease says that I have to pay interest on the unpaid late fee. Is that allowed?**

No. Your housing provider may not charge interest on a late fee.

- 7. Last month, I was late enough with my rent to be charged a late fee, which I did not pay. I paid my rent on time this month, but my housing provider has said that they can sue to evict me if I don't pay the late fee. Is that true?**

No. Your housing provider may not evict you just because you didn't pay a late fee.

- 8. Last month, I did not pay my rent in full until the twentieth of the month. My housing provider charged me a 5% late fee. I have not paid the late fee. This month I paid my rent in full on time, but I have still not paid last month's late fee. My housing provider says I did not pay my rent in full because he took part of my rent and applied it to last month's late fee. He is now charging me a second late fee. Is that allowed?**

No. Your housing provider may not deduct an unpaid late fee from a future month's rental payment, and then claim that you owe another late fee because you are not paid in full.

- 9. I didn't pay my rent for several months. My housing provider took me to court for nonpayment. The court entered a "redeemable judgment" for possession, and told me that I can avoid eviction if I pay the back rent in full. Does this include late fees?**

No. If you received a "redeemable judgment," you may avoid eviction by paying the entire amount of unpaid rent, and any other amounts ordered by the Court, up until the day of the eviction. When the new "late fee" law went into effect, the Court stopped including late fees in that amount. If you have received an eviction order, you should also have received a document called

“Notice to Tenant of Payment to Avoid Eviction.” Review that notice very carefully. If the payment amount you must pay to avoid eviction includes late fees -- or any other charges you feel are incorrect -- seek legal guidance immediately.

**10. If my housing provider is allowed to charge me late fees, but can't take them out of my rent or evict me if I don't pay them, does that mean I won't ever have to actually pay the late fees?**

No. You are not allowed to just walk away from the late fees without consequences. If your rent was late enough for your housing provider to charge a late fee, your housing provider may send you an invoice for the late fee. If you don't pay the late fee within 30 days of the invoice, your housing provider may deduct the late fee from your security deposit when you move out.

Also, if your rent is late multiple times – even though you cannot be evicted for non-payment of a late fee – your housing provider may evict you for violating your obligation to pay your rent on time. Indeed, that's true even if you were never charged a late fee because you always paid your rent within the grace period!

If the court decides that you are violating your lease obligations by paying rent late, the court may grant a “nonredeemable” judgment. This means that you will be unable to avoid eviction by paying the housing provider the entire amount you owe.

**11. My housing provider broke the law on late fees. Is there anything I can do about it?**

Yes, you may be able to sue your housing provider for the amount of any excess late fee or triple that amount in the event of bad faith.

