A RESOLUTION

<u>23-426</u>

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

June 9, 2020

To declare the existence of an emergency, due to congressional review, with respect to the need to amend the Condominium Warranty Act of 1976 to clarify the standards and procedures governing the resolution of a claim for a condominium developer's warranty against structural defects, that a claimant may appeal the findings of the Mayor to the Office of Administrative Hearings, and the circumstances when the Mayor may release the warranty security funds to a claimant.

BE IT ENACTED BY THE COUNCIL DISTRICT OF COLUMBIA, That this act may be cited as the "Condominium Warranty Claims Clarification Congressional Review Emergency Declaration Resolution of 2020".

Sec. 2. (a) The Condominium Act of 1976, effective March 29, 1977 (D.C. Law 1-89; D. C. Official Code § 12-1903 .16) ("act"), established initial procedures for a declarant to warrant against structural defects.

(b) The District of Columbia Department of Housing and Community Development has been designated by the Mayor to administer the Condominium Act of 1976.

(c) The increased number of condominiums in the District has led to a sharp increase in the number of structural defect warranty claims without standards and procedures governing an adjudication process to resolve those claims.

(d) Therefore, there exists an immediate need to amend the act to establish a process to resolve warranty claims that arise under the act.

(e) On February 4, 2020, the Council passed the Condominium Warranty Claims Clarification Emergency Amendment Act of 2020, effective February 27, 2020 (D.C. Act 23-231; 67 DCR 2510) ("emergency legislation), which expired on May 27, 2020.

(f) On March 3, 2020, the Council passed the Condominium Warranty Claims Clarification Temporary Amendment Act of 2020, enacted on March 26, 2020 (D.C. Act 23-273; 67 DCR 3938) ("temporary legislation"), which is projected to become law on June 8, 2020.

(g) To prevent a gap in the law between the expiration of the emergency legislation and the effective date of the temporary legislation, it is necessary to approve congressional review emergency legislation.

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Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the Condominium Warranty Claims Clarification Congressional Review Emergency Amendment Act of 2020 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.