



250 Massachusetts Ave. NW, Suite 350  
Washington, DC 20001  
T 202.467.4900 · F 202.467.4949  
[www.childrenslawcenter.org](http://www.childrenslawcenter.org)

Testimony Before the District of Columbia Council  
Committee on Public Works and Operations  
February 24, 2026

Public Hearing:  
Performance Oversight Hearing  
Department of Licensing and Consumer Protection

Patrick Cothorn  
Policy Attorney  
Children's Law Center

## **Introduction**

Good morning, Chairperson Nadeau and members of the Committee. My name is Patrick Cothorn, and I am a Policy Attorney at Children's Law Center. I am also a tenant in Ward 8. Children's Law Center believes every child should grow up with a strong foundation of family, health, and education and live in a world free from poverty, trauma, racism, and other forms of oppression. Our more than 100 staff — together with DC children and families, community partners, and pro bono attorneys — use the law to solve children's urgent problems today and improve the systems that will affect their lives tomorrow. Since our founding in 1996, we have reached more than 50,000 children and families directly and multiplied our impact by advocating for citywide solutions that benefit hundreds of thousands more.

Thank you for the opportunity to testify today regarding the performance of the Department of Licensing and Consumer Protection ("DLCP"). Through our representation of clients at housing conditions court, Children's Law Center makes frequent use of DLCP's tools and records to find information about DC business entities. We are also invested in seeing the Department of Buildings ("DOB") perform as effectively and efficiently as possible in their mission to enforce the housing code; which ultimately promotes a healthier and more sanitary environment for District residents. For both of these interests, the performance of DLCP is of significant interest.

DLCP's overall performance has improved in some respects, and we commend the agency for steps taken to implement a more proactive enforcement stance and to update its corporate registration systems. However, significant gaps remain in how DLCP collects, verifies, and shares information critical to effective housing enforcement.

My testimony will highlight key areas where DLCP can strengthen compliance with corporate transparency laws and collaborate with other agencies to support effective housing code enforcement. Specifically, I will focus on two principal areas for continued improvement: first, how DLCP collects and reviews information about beneficial owners of business entities; and second, how DLCP coordinates with other agencies, particularly DOB, to support enforcement efforts that affect tenant health and safety.

### **DLCP Must Ensure Accurate Collection and Review of Beneficial Ownership Data**

A foundational challenge in housing code enforcement stems from inaccurate or incomplete corporate registration information. DLCP is responsible for collecting beneficial ownership information when entities register to do business in the District.<sup>1</sup>To organize as a business recognized by the District, an entity must meet statutory filing requirements,<sup>2</sup> which include the requirement to disclose beneficial owners.<sup>3</sup> Without such registration, entities cannot apply for or maintain a business license.<sup>4</sup> Yet the current process emphasizes completeness over accuracy, meaning that

a registration form may be considered “complete” even if the information on it is incorrect or misleading.<sup>5</sup>

This gap frustrates housing code enforcement because landlords can effectively shield the identities of the natural persons who control property-holding entities. For example, we found one instance in publicly available information of company X being listed as the beneficial owner of company Y, while company Y was also listed as the beneficial owner of company X. They were listed as each other’s beneficial owner, a logical impossibility.

When code enforcement agencies, legal advocates, and tenants cannot identify the true individuals behind a shell corporation, efforts to enforce repairs, collect fines, and hold landlords accountable are weakened. Hidden identities erode the deterrent effect of violations, leave dangerous conditions unaddressed, and allow unhealthy housing to persist for families, with especially harmful impacts on children’s health.<sup>6</sup>

The Council has introduced legislation that would begin to address this. Children’s Law Center supported the Housing with Integrity Amendment Act of 2025 (B26-0287) precisely because it would add accountability mechanisms to the business licensing framework that affect housing enforcement. This bill would authorize DLCP to deny a basic business license to a person, business entity, or beneficial owner who has an ownership interest in rental properties with a defined number of outstanding Class 1 or Class 2 housing code violations.<sup>7</sup>

In our October 2025, Housing with Integrity Act testimony, we recommended that the Council consider approaches to better ensure that natural persons who are beneficial owners are identified clearly and accurately in District records.<sup>8</sup> This could involve mirroring effective language from the federal Corporate Transparency Act (CTA) or New York’s similarly designed registration law to ensure that individual natural persons are explicitly required to be named and that sufficient identifying details are collected.<sup>9</sup>

Further, any changes to DLCP’s beneficial ownership requirements should be structured so that entities are not excluded from the definition of an owner. For example, defining “owner” as only a “natural person” would inadvertently imply that entity owners need not register, creating new loopholes that could be exploited. Instead, both natural persons and entities must be included in DLCP’s information requirements, with a clear path to verify accuracy.

At present, as DLCP has stated, their beneficial ownership review focuses on whether the required fields are filled rather than assessing whether the information reflects real-world control and ownership.<sup>10</sup> Improving the accuracy of beneficial ownership information would support enforcement actions across agencies, including DOB and the Office of the Attorney General, and help ensure that landlords who repeatedly fail to maintain safe housing are identified and held accountable.

CorpOnline, DLCP's online tool for searching District business registration records, has made progress over the past year. Based upon our review of the CorpOnline tool. Guidance and training material on searching for entities has been expanded, and expanded search functionality has been added when searching for entities. Additionally, improvements have been made to promote the accuracy of records, when registering an entity, the tool appears to us to have improved functionality and use. The system also would not accept non-existent phone numbers or invalid street addresses (and would not accept PO Boxes) There is still room for improvement, for example, the search tool requires entering an owner's name exactly as it appears on the record, which limits search options. Additionally, one must be logged into DC Access to have full search capabilities, but that is not clearly indicated anywhere on the site.

We encourage DLCP to bring the same search functionalities to the beneficial owner search as are in place for the entity search. We ask this Committee to ask DLCP during oversight about their experience using this tool and whether they have found it to promote compliance with corporate transparency requirements. DLCP would also be well positioned to expand its current services and assist other District agencies identify entities (or the owners) that have had enforcement action brought against them. For example, DLCP could develop a tool to flag registered entities with high numbers of unresolved housing code violations so that DOB, DLCP, and other enforcement

partners can respond quickly when new filings occur. Ensuring regular, accurate exchange of data between DLCP, DOB, and agencies like DC Water or the Office of the Attorney General will strengthen enforcement outcomes and protect tenants from prolonged exposure to unhealthy or unsafe conditions.

### **DLCP Must Improve Its Coordination with DOB and Other Enforcement Agencies.**

Collecting accurate beneficial ownership information is an important first step, but the information must be shared and used effectively across agencies to support enforcement. It is one thing for DLCP to have the information maintained and to have it be accessible, but another to utilize it effectively. The District has divided responsibilities for housing and housing conditions among several agencies, and it is important that each of them has access to basic information about the entities with whom they are dealing. This would enable District agencies to more effectively hold bad actors accountable and coordinate enforcement efforts, which is particularly important in contexts where hidden ownership frustrates efforts to address utility arrearages, housing code violations, and related public health risks. For example, the Council's recent introduced legislation that would reduce the negative effects tenants face when their landlords do not pay their utility bills.<sup>11</sup> This raises a clear instance where it would be beneficial for enforcement and accountability purposes if DC Water and others in the District knew the identities of those landlords who are not meeting their obligations.

To learn more about the scope of potential collaboration, we encourage this Committee to question DLCP about collaborative efforts made or planned with other District agencies, and to consider hosting a roundtable to bring DLCP and District enforcement agencies together to discuss how DLCP can better assist their missions.

## **Conclusion**

Children's Law Center supports DLCP's ongoing efforts to implement stronger corporate transparency and to improve housing-related enforcement mechanisms. To build on that progress, DLCP should strengthen its review of submitted beneficial ownership information to prioritize accuracy, not just completeness, and ensure that any changes to reporting requirements include both natural persons and entities in ways that close loopholes.

DLCP should also coordinate more regularly and proactively with DOB and other enforcement partners to ensure that ownership data contributes meaningfully to housing code enforcement and related accountability mechanisms. These improvements are critical to protecting tenants from unfair and unsafe housing conditions and to stabilizing housing for families across the District.

Thank you for the opportunity to testify today. I am happy to answer any questions.

---

<sup>1</sup> DC CODE § 29-102.01.

<sup>2</sup> *Id.*

<sup>3</sup> DC CODE § 29-102.01(a)(6).

---

<sup>4</sup> 14 D.C.M.R. 200.1.

<sup>5</sup> Consider that a natural person looking to conceal their interest in entity X could hold entity X within entity Y and would thereby be compliant by simply listing entity Y as the beneficial owner. The hypothetical non-compliant landlord could repeat this process indefinitely to conceal their interest behind layers of filings. For a natural person with interests in multiple properties, they could hold each property within its own chain of entities, and transfer properties between and among them, obfuscating interests, and derailing enforcement efforts.

<sup>6</sup> See e.g., Suzie Amanuel, Washington City Paper, *Portfolio of Neglected Properties, According to Lawsuits and Tenant Accounts*, (Dec. 2, 2024), available at <https://washingtoncitypaper.com/article/754131/how-a-d-c-slumlord-scammed-tenants-and-lenders-to-build-a-portfolio-of-neglected-properties-according-to-lawsuits-and-tenant-accounts/> (news story explaining how one individual used business entities to obscure facts for financial advantage, to the health determinant of tenants residing in the affected buildings).

<sup>7</sup> B26-0287 § 2, line 31.

<sup>8</sup> Patrick Cothorn, CHILDREN'S LAW CENTER, Testimony Before the District of Columbia Council Committee on Public Works and Operations (Oct. 22, 2025), available at <https://childrenslawcenter.org/resources/testimony-housing-with-integrity-amendment-act-of-2025/>.

<sup>9</sup> Corporate Transparency Act (CTA) (Codified at 31 U.S.C. § 5336, implemented by regulation at 31 C.F.R. part 1010). The CTA gives a ready example of alternative language that is effective at including natural persons. 31 U.S.C. § 5336(a)(3). The required information (specified at 31 U.S.C. § 5336(b)(2)) that must be provided on beneficial owners is like the information required by DC, although the CTA also requires filers to disclose their date of birth—which suggests that natural persons are included. Note however that FinCEN has recently narrowed the scope of the federal CTA. In March 2025, FinCEN published an interim final rule that narrowed the scope of the CTA to cover only foreign entities. *Beneficial Ownership Information Reporting Requirement Revision and Deadline Extension*, 90 Fed. Reg. 13688 (Mar. 26, 2025). The statutory scheme does not follow that model, and were the District to adopt the statutory model, there would be no need and no requirement to adopt FinCEN's regulations—an approach New York is taking. See Sasha A. Pezenik & Luisa A. Nin Reyes, COLE SCHOTZ, P.C., *NY LLC Transparency Act*, (Oct. 7, 2025), <https://www.coleschotz.com/ny-llc-transparency-act/>.

<sup>10</sup> See District of Columbia Committee on Public Works and Operations, *Legislative Hearing on Housing with Integrity Amendment Act of 2025*, (District of Columbia 2025), [https://dc.granicus.com/ViewPublisher.php?view\\_id=58](https://dc.granicus.com/ViewPublisher.php?view_id=58) (link leads to a list of recording testimony, scroll to the hearing held October 22, 2025. The Committee chairperson discusses how it is a known practice that DLCP only checks for completion and not for accuracy).

<sup>11</sup> B26-0443, DC Water Billing and Disconnection Modernization Amendment Act of 2025.