

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 973 Session of  
1997

INTRODUCED BY CONTI, ITKIN, STABACK, BELARDI, CAWLEY, TRAVAGLIO,  
RAYMOND, BROWNE, L. I. COHEN, HENNESSEY, YOUNGBLOOD, RAMOS,  
STEELMAN, CIVERA, MANDERINO AND PETRONE, MARCH 25, 1997

REFERRED TO COMMITTEE ON URBAN AFFAIRS, MARCH 25, 1997

AN ACT

1 Authorizing certain counties to receive a portion of the State  
2 income tax paid by certain residents to be used for  
3 affordable housing efforts.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Short title.

7 This act shall be known and may be cited as the County  
8 Affordable Housing Act.

9 Section 2. Legislative intent.

10 It is the intent of this act to provide counties in this  
11 Commonwealth with an additional source of revenue to support  
12 affordable housing efforts for county residents.

13 Section 3. Definitions.

14 The following words and phrases when used in this act shall  
15 have the meanings given to them in this section unless the  
16 context clearly indicates otherwise:

17 "Affordable housing effort." Any program or project,  
18 approved by the board of commissioners of a county, that

1 increases the availability of housing to county residents whose  
2 annual income is less than 80% of the county's median income.

3 These efforts may include any of the following:

4 (1) Providing matching funds for the HOME Program of the  
5 Cranston-Gonzalez National Affordable Housing Act (Public Law  
6 101-625, 42 U.S.C. § 2701 et seq.).

7 (2) Supporting housing efforts by the Pennsylvania  
8 Housing Finance Agency.

9 (3) Supporting programs which make available second soft  
10 mortgage programs. A second soft mortgage is a second  
11 mortgage given to finance the costs of the purchase of a  
12 single family residence, other than the purchase price. Costs  
13 financed by a second soft mortgage may include down payments  
14 and the closing costs associated with the primary mortgage  
15 given on the property being purchased.

16 (4) Supporting housing counseling services for first-  
17 time homebuyers.

18 (5) Subsidizing the operating expenses of emergency  
19 shelters for the homeless.

20 (6) The acquisition and demolition of abandoned,  
21 blighted property.

22 "County." Any county of the second, third, fourth, fifth,  
23 sixth, seventh or eighth class.

24 "Median income." The most current median income standard for  
25 the county established by the United States Department of  
26 Housing and Urban Development.

27 "Tax." The personal income tax levied under Article III of  
28 the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform  
29 Code of 1971.

30 Section 4. Authority to levy tax.

1 (a) Procedure by county.--The county commissioners may, by  
2 ordinance, elect to receive 1% of the tax paid by county  
3 residents whose income is at or below 80% of the county median  
4 income. Upon adoption of the ordinance, the commissioners shall  
5 petition the State Treasurer to receive the tax revenue.

6 (b) Procedure by State Treasurer.--Upon receipt of the  
7 petition the State Treasurer will remit the funds to the county  
8 in the first quarter beginning 30 days after receipt of the  
9 petition. Thereafter, the State Treasurer will remit the funds  
10 the county is entitled to on a quarterly basis.

11 Section 5. Disposition by county.

12 Funds received by a county under section 4 shall be deposited  
13 into the general fund of the county and shall be allocated as  
14 follows:

15 (1) A minimum of 85% of the funds shall be set aside in  
16 a separate account to be used to fund affordable housing  
17 efforts in the county.

18 (2) A maximum of 15% may be used by the county for  
19 administrative costs associated with the implementation of  
20 this act.

21 Section 6. Rules and regulations.

22 The State Treasurer shall promulgate any rules and  
23 regulations necessary to implement this program.

24 Section 7. Effective date.

25 This act shall take effect in 120 days.