

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 139 Session of
2005

INTRODUCED BY J. TAYLOR, THOMAS, CALTAGIRONE, DeWEESE, GEORGE,
HENNESSEY, HERSHEY, JAMES, KOTIK, MANDERINO, R. MILLER AND
ALLEN, MARCH 29, 2005

REFERRED TO COMMITTEE ON URBAN AFFAIRS, MARCH 29, 2005

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, codifying the Optional County
3 Affordable Housing Funds Act; and making a related repeal.

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

6 Section 1. Title 53 of the Pennsylvania Consolidated
7 Statutes is amended by adding a chapter to read:

8 CHAPTER 60

9 OPTIONAL AFFORDABLE HOUSING FUNDING

10 Subchapter

11 A. Preliminary Provisions

12 B. Affordable Housing Programs and Funding in Counties

13 C. Affordable Housing Programs and Funding in Cities of
14 First Class

15 SUBCHAPTER A

16 PRELIMINARY PROVISIONS

17 Sec.

18 6001. Scope of chapter.

1 6002. Legislative purpose.

2 6003. Definitions.

3 § 6001. Scope of chapter.

4 This chapter deals with optional affordable housing funding.

5 § 6002. Legislative purpose.

6 The General Assembly intends to provide a method for counties
7 and cities of the first class to raise revenues at the local
8 level to enable residents to purchase, rent or maintain quality
9 residential housing.

10 § 6003. Definitions.

11 The following words and phrases when used in this chapter
12 shall have the meanings given to them in this section unless the
13 context clearly indicates otherwise:

14 "County." A county of the second, second A, third, fourth,
15 fifth, sixth, seventh or eighth class. The term does not include
16 any county of the first class.

17 "National Affordable Housing Act of 1990." The Cranston-
18 Gonzalez National Affordable Housing Act (Public Law 101-625, 42
19 U.S.C. § 12701 et seq.), as amended.

20 SUBCHAPTER B

21 AFFORDABLE HOUSING PROGRAMS AND FUNDING IN COUNTIES

22 Sec.

23 6011. Affordable housing programs fee in counties.

24 6012. Disposition of proceeds in counties.

25 6013. Affordable housing efforts in counties.

26 § 6011. Affordable housing programs fee in counties.

27 (a) General rule.--The governing body of each county may, by
28 ordinance, increase the fees charged by the recorder of deeds
29 for recording deeds and mortgages under the act of June 12, 1919
30 (P.L.476, No.240), referred to as the Second Class County

1 Recorder of Deeds Fee Law, or the act of April 8, 1982 (P.L.310,
2 No.87), referred to as the Recorder of Deeds Fee Law.

3 (b) Limitation.--The additional fees levied by a governing
4 body of a county under subsection (a) shall not exceed 100% of
5 the amounts charged on February 12, 1993.

6 § 6012. Disposition of proceeds in counties.

7 (a) Deposit.--Money collected as a result of the fee imposed
8 under section 6011(a) (relating to affordable housing programs
9 fee in counties) shall be deposited in the general fund of the
10 county.

11 (b) Allocation.--Money collected as a result of the fee
12 imposed under section 6011(a) shall be allocated as follows:

13 (1) At least 85% of the money collected shall be set
14 aside in a separate account to be used to fund affordable
15 housing efforts in the county.

16 (2) Not more than 15% of the money collected may be used
17 by the county for the administrative costs associated with
18 the affordable housing efforts.

19 § 6013. Affordable housing efforts in counties.

20 Affordable housing effort as used in this subchapter is any
21 program or project approved by the governing body of the county
22 which increases the availability of quality housing, either
23 sales or rental, to any county resident whose annual income is
24 less than the median income of the county and includes:

25 (1) Providing local matching funds to secure National
26 Affordable Housing Act of 1990 HOME funds.

27 (2) Assisting or supporting housing efforts by the
28 Pennsylvania Housing Finance Agency and by commercial banks
29 and thrift institutions.

30 (3) Supporting second soft mortgage programs.

1 SUBCHAPTER C

2 AFFORDABLE HOUSING PROGRAMS AND FUNDING

3 IN CITIES OF FIRST CLASS

4 Sec.

5 6021. Affordable housing programs fee in cities of first
6 class.

7 6022. Disposition of proceeds in cities of first class.

8 6023. Affordable housing efforts in cities of first
9 class.

10 § 6021. Affordable housing programs fee in cities of first
11 class.

12 (a) General rule.--The governing body of a city of the first
13 class may, by ordinance, charge an affordable housing program
14 fee for recording deeds and mortgages and other related mortgage
15 documents.

16 (b) Limitation.--The fee levied by a governing body of a
17 city of the first class under subsection (a) shall not exceed
18 100% of the amounts charged by a city of the first class for
19 recording deeds and mortgages and other related documents on
20 January 31, 2005.

21 (c) Construction.--Subsection (a) shall not limit or
22 otherwise impact the authority of a city of the first class to
23 alter the fees charged by a city of the first class as of the
24 effective date of this chapter for recording deeds and mortgages
25 and other related mortgage documents.

26 § 6022. Disposition of proceeds in cities of the first class.

27 (a) Deposit.--Money collected as a result of the fee imposed
28 under section 6021(a) (relating to affordable housing programs
29 fee in cities of the first class) shall be deposited in a
30 special fund established by a city of the first class.

1 (b) Allocation.--Money collected as a result of the fee
2 imposed under section 6021(a) shall be allocated as follows:

3 (1) At least 85% of the money collected shall be used to
4 fund affordable housing efforts in a city of the first class.

5 The following apply:

6 (i) A city of the first class may by ordinance
7 dedicate a portion of the funds allocated under this
8 subsection to benefit households whose annual income
9 adjusted for household size is equal to or less than 30%
10 of the median income of the metropolitan statistical area
11 including that city of the first class.

12 (ii) A city of the first class may by ordinance
13 dedicate a portion of the funds allocated under this
14 subsection to programs described in section 6023(1)
15 (relating to affordable housing efforts in cities of
16 first class).

17 (iii) A city of the first class may by ordinance
18 define criteria for accessibility of new and existing
19 housing for visitors or occupants who are physically
20 disabled and establish the percentage of new construction
21 units produced as a result of the affordable housing
22 efforts of the city funded under this subsection that
23 must meet the criteria.

24 (iv) A city of the first class may by ordinance
25 restrict expenditure of money raised under this
26 subchapter to those programs and projects described in
27 section 6023.

28 (v) A city of the first class may by ordinance
29 require that housing produced or rehabilitated through
30 affordable housing efforts be priced or rented at an

1 amount such that the purchase or rental will require the
2 expenditure of no more than a certain maximum percentage
3 of the gross income of the household of the purchaser or
4 renter.

5 (2) Not more than 15% of the money collected may be used
6 for the administrative costs of a city of the first class
7 associated with the affordable housing efforts.

8 § 6023. Affordable housing efforts in cities of first class.

9 Affordable housing effort as used in this subchapter is a
10 program or project which increases the availability of quality
11 housing, either sales or rental, to any resident of a city of
12 the first class whose annual income adjusted for household size
13 is less than 115% of the median income of the metropolitan
14 statistical area, including that city of the first class, and
15 includes:

16 (1) A program or project which increases the production
17 of housing for sale or rent.

18 (2) A program or project which increases the
19 accessibility of new and existing housing to visitors or
20 occupants who are physically disabled.

21 (3) A program or project which provides grants for
22 repair of basic systems or improvement of owner-occupied
23 housing.

24 (4) A program or project which provides for the
25 improvement of facades for owner-occupied housing.

26 (5) A program or project which prevents or reduces
27 homelessness.

28 Section 2. The act of December 14, 1992 (P.L.866, No.137),
29 known as the Optional County Affordable Housing Funds Act, is
30 repealed.

1 Section 3. The addition of 53 Pa.C.S. Ch. 60 is a
2 continuation of the act of December 14, 1992 (P.L.866, No.137),
3 known as the Optional County Affordable Housing Funds Act. The
4 following apply:

5 (1) All activities initiated under the Optional County
6 Affordable Housing Funds Act shall continue and remain in
7 full force and effect and may be completed under 53 Pa.C.S.
8 Ch. 60. Ordinances, orders, rules and decisions which were
9 made under the Optional County Affordable Housing Funds Act
10 and which are in effect on the effective date of the addition
11 of 53 Pa.C.S. Ch. 60 shall remain in full force and effect
12 until revoked, vacated or modified under 53 Pa.C.S. Ch. 60.
13 Contracts and obligations entered into under the Optional
14 County Affordable Housing Funds Act are not affected nor
15 impaired by the repeal of the Optional County Affordable
16 Housing Funds Act.

17 (2) Except as set forth in paragraph (3), any difference
18 in language between 53 Pa.C.S. Ch. 60 and the Optional County
19 Affordable Housing Funds Act is intended only to conform to
20 the style of the Pennsylvania Consolidated Statutes and is
21 not intended to change or affect the legislative intent,
22 judicial construction or administration and implementation of
23 the Optional County Affordable Housing Funds Act.

24 (3) Paragraph (2) does not apply to the addition of 53
25 Pa.C.S. Ch. 60 Subch. C.

26 Section 4. If this act is enacted after July 1, 2005, and
27 prior to July 1, 2006, then the city council of a city of the
28 first class may institute the new fee under 53 Pa.C.S. § 6021(a)
29 for a partial fiscal year and may allocate those funds under 53
30 Pa.C.S. § 6022(b) within fiscal year 2005-2006.

1 Section 5. This act shall take effect in 60 days.