HOUSE AMENDED

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## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL No. 1174 Session of 2011

## INTRODUCED BY YAW, KITCHEN, FONTANA, M. WHITE, BRUBAKER, D. WHITE, FERLO AND BREWSTER, SEPTEMBER 29, 2011

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES, JUNE 21, 2012

## AN ACT

1 2 3 4 5	Amending the act of May 28, 1937 (P.L.955, No.265), entitled, as amended, "An act to promote public health, safety, morals, and welfare by declaring the necessity of creating public bodies, corporate and politic, to be known as housing authorities to engage in slum clearance, and to undertake
6	projects, to provide dwelling accommodations for persons of
7 8	low income; providing for the organization of such housing
8 9	authorities; defining their powers and duties; providing for the exercise of such powers, including the acquisition of
10	property by purchase, gift or eminent domain, the renting and
11	selling of property, and including borrowing money, issuing
12	bonds, and other obligations, and giving security therefor;
13	prescribing the remedies of obligees of housing authorities;
14	authorizing housing authorities to enter into agreements,
15	including agreements with the United States, the
16	Commonwealth, and political subdivisions and municipalities
17	thereof; defining the application of zoning, sanitary, and
18	building laws and regulations to projects built or maintained
19	by such housing authorities; exempting the property and
20	securities of such housing authorities from taxation; and
21	imposing duties and conferring powers upon the State Planning
22	Board, and certain other State officers and departments,"
23	further providing for appointment of members of authority,
24	for qualifications, tenure and compensation of members of
25	authority and for organization of authority; AND PROVIDING
26	FOR WHISTLEBLOWER HOTLINE, FOR REQUIREMENTS REGARDING TENANTS
27	AND LANDLORDS IN CITIES OF THE FIRST CLASS AND FOR REPORTING
28	BY AUTHORITIES IN CITIES OF THE FIRST CLASS.

29 The General Assembly of the Commonwealth of Pennsylvania

30 hereby enacts as follows:

Section 1. Sections 5(b) and 6 of the act of May 28, 1937
 (P.L.955, No.265), known as the Housing Authorities Law, amended
 March 21, 1968 (P.L.69, No.25) and July 15, 1968 (P.L.337,
 No.163), are amended to read:

5 Section 5. Appointment of Members of an Authority .--\* \* \* The governing body of any city upon issuing a 6 (b) 7 certificate declaring the need for an Authority to operate in 8 such city or upon receiving notice of the issuance of such 9 certificate by the Governor, shall promptly notify the mayor of 10 such certification. Upon receiving such notice, the mayor, with the approval of the majority of the members of council, shall 11 appoint five citizens, residents of the city, to be members of 12 APPOINT [FIVE CITIZENS,] RESIDENTS OF THE CITY[,] TO BE MEMBERS 13 14 OF the housing authority of such city AS FOLLOWS--(1) that in 15 cities of the first class, [the mayor shall appoint +two 16 members, the city controller shall appoint two members, and the four members, thus appointed, shall select a fifth member of 17 18 such Authority] nine persons to be members of the housing 19 authority of such city MEMBERS SHALL BE APPOINTED AS PROVIDED IN 20 SUBSECTION (C); (2) that in cities of the second class, the mayor shall appoint [two additional members for a total of] 21 seven members of the housing authority; (3) that in cities of 22 23 the third class, the mayor, with the approval of the majority of 24 the members of council, shall appoint five persons to be members 25 of the housing authority of such city, such members shall be 26 citizens residing within the city for which the Authority is 27 created.

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(C) (1) IN CITIES OF THE FIRST CLASS, THE MAYOR, WITH THE
 APPROVAL OF THE MAJORITY OF THE MEMBERS OF COUNCIL, SHALL
 APPOINT A TOTAL OF NINE MEMBERS, TWO OF WHOM SHALL BE RESIDENTS

- 2 -

1 OF HOUSING OWNED OR CONTROLLED BY THE AUTHORITY.

2 (2) THE TWO MEMBERS REQUIRED TO BE RESIDENTS OF HOUSING OWNED OR CONTROLLED BY THE AUTHORITY SHALL BE CHOSEN PURSUANT TO 3 A NOMINATION PROCESS AGREED UPON BY THE MAYOR, COUNCIL PRESIDENT 4 5 AND THE EXECUTIVE DIRECTOR OF THE AUTHORITY. 6 (3) WITH RESPECT TO VACANCIES EXISTING AT THE TIME THIS 7 SUBSECTION BECOMES EFFECTIVE, IF COUNCIL FAILS TO ACT ON ANY 8 PROPOSED APPOINTEE TO SUCH A VACANCY WITHIN SIXTY (60) DAYS OF 9 THE MAYOR'S SUBMISSION OF THE PROPOSED APPOINTEE TO COUNCIL, THE MAYOR MAY, WITHOUT THE APPROVAL OF COUNCIL, APPOINT SUCH PERSON 10 TO BE A MEMBER OF THE AUTHORITY; AS MANY PROPOSED APPOINTEES MAY 11 12 BE APPOINTED IN THIS MANNER AS MAY BE NECESSARY TO BRING 13 MEMBERSHIP ON THIS AUTHORITY TO FIVE MEMBERS. A MEMBER APPOINTED 14 WITHOUT THE APPROVAL OF COUNCIL MAY BE SUBSEQUENTLY APPROVED BY COUNCIL, OR MAY BE REPLACED BY ANOTHER MEMBER APPOINTED BY THE 15 16 MAYOR, WITH THE APPROVAL OF THE MAJORITY OF THE MEMBERS OF 17 COUNCIL. 18 Section 6. Qualifications, Tenure and Compensation of 19 Members of an Authority. -- No more than two persons holding any 20 other paid public office shall be members of the same housing 21 authority at the same time. NO ELECTED OFFICIAL SHALL BE A 22 MEMBER OF A HOUSING AUTHORITY IN A CITY OF THE FIRST CLASS. The

23 members who are first appointed shall serve for terms of one, 24 two, three, four, and five years, respectively, from the date of 25 their appointment, as shall be specified at the time of their 26 appointment, except that ALL members of the housing authority of 27 <u>a city of the first class shall serve for terms concurrent with</u>

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28 <u>the term of the appointing mayor</u>. Thereafter the term of office 29 shall be five years, except as otherwise provided with respect 30 to members of the housing authority of a city of the first

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class. The two additional members to be appointed in cities of 1 2 the second class shall serve for terms of five years. A member 3 shall hold office until his successor has been appointed. Vacancies for unexpired terms shall be promptly filled by the 4 5 appointing power. A member may be removed for cause by the court 6 of quarter sessions of the county in which the Authority is 7 located after having been provided with a copy of the charges 8 against him for at least ten days and full hearing by the court, except that members of the housing authority of a city of the 9 first class shall serve at the pleasure of the mayor of such 10 city EFFECTIVE JANUARY 4, 2016, IN A CITY OF THE FIRST CLASS, 11 12 THE MAYOR OF SUCH CITY MAY, WITHOUT CAUSE, REMOVE UP TO FIVE 13 MEMBERS OF AN AUTHORITY OF SUCH CITY DURING ANY CALENDAR YEAR, 14 WITH RESULTING VACANCIES TO BE FILLED PURSUANT TO SECTION 5(C); 15 REMOVAL OF ANY MEMBER IN EXCESS OF FIVE IN A SINGLE CALENDAR YEAR SHALL BE AS OTHERWISE PROVIDED IN THIS SECTION. A member 16 shall receive no compensation for his services, but he shall be 17 18 entitled to the necessary expenses, including travelling 19 expenses incurred in the discharge of his duties. 20 Section 2. Section 7 of the act is amended to read: 21 Section 7. Organization of an Authority. -- (A) The members of an Authority shall select from among themselves a chairman 22 23 and a vice-chairman. The Authority may employ a secretary, such 24 technical experts, and such other officers, agents, and employes, permanent or temporary, as it may require, and may 25 26 determine the qualifications of such persons. Three members of 27 an Authority shall constitute a quorum for its meetings, except 28 that a majority of the members of the Authority THEN IN OFFICE 29 in a city of the first class shall constitute a quorum for meetings of such an Authority. Any Authority may employ its own 30

- 4 -

1 counsel and legal staff. Members of an Authority shall not be
2 liable personally on the bonds or other obligations of the
3 Authority, and the rights of creditors shall be solely against
4 such Authority. An Authority may delegate to one or more of its
5 agents or employes such of its powers as it shall deem necessary
6 to carry out the purposes of this act, subject always to the
7 supervision and control of the Authority.

8 (B) IN AN AUTHORITY IN A CITY OF THE FIRST CLASS, THE 9 EXECUTIVE DIRECTOR AND STAFF WITH EXECUTIVE DUTIES WHO REPORT 10 DIRECTLY TO EITHER THE EXECUTIVE DIRECTOR OR MEMBERS OF THE 11 AUTHORITY SHALL BE AT-WILL EMPLOYES OF THE AUTHORITY AND SHALL 12 SERVE AT THE PLEASURE OF THE MEMBERS OF THE AUTHORITY. THE 13 AUTHORITY SHALL NOT PROVIDE ANY PAYMENT OR OTHER THING OF VALUE 14 TO SUCH EMPLOYES IN CONNECTION WITH THEIR SEPARATION FROM EMPLOYMENT, OTHER THAN SALARY AND BENEFITS TO WHICH THEY ARE 15 16 ENTITLED FOR REGULAR EMPLOYMENT THROUGH THE DATE OF SEPARATION. 17 SECTION 3. THE ACT IS AMENDED BY ADDING SECTIONS TO READ: 18 SECTION 10.2. WHISTLEBLOWER HOTLINE. -- AN AUTHORITY OF A CITY 19 OF THE FIRST CLASS SHALL MAINTAIN AND MONITOR A WHISTLEBLOWER 20 HOTLINE FOR THE REPORTING OF FRAUD, WASTE, ABUSE OR ANY 21 WRONGDOING IN CONNECTION WITH THE AFFAIRS OF THE AUTHORITY. 22 SECTION 13.1. REQUIREMENTS REGARDING TENANTS AND LANDLORDS 23 IN CITIES OF THE FIRST CLASS. -- (A) AN AUTHORITY OF A CITY OF 24 THE FIRST CLASS SHALL TAKE SUCH MEASURES AS ARE NECESSARY TO 25 ENSURE COMPLIANCE WITH ALL REQUIREMENTS IMPOSED ON THE AUTHORITY 26 BY FEDERAL LAW REGARDING CRIMINAL ACTIVITY BY TENANTS AND 27 PROSPECTIVE TENANTS, INCLUDING, BUT NOT LIMITED TO, ALL 28 REQUIREMENTS REGARDING BACKGROUND CHECKS. 29 (B) (1) AN AUTHORITY OF A CITY OF THE FIRST CLASS SHALL NOT

- 5 -

1	CHOICE VOUCHER PROGRAM ESTABLISHED PURSUANT TO 24 CFR PT. 982
2	(RELATING TO SECTION 8 TENANT BASED ASSISTANCE: HOUSING CHOICE
3	VOUCHER PROGRAM) IF SUCH PERSON OR FIRM IS DELINQUENT ON ANY
4	PROPERTY TAX DUE WITH RESPECT TO THE PROPERTY FOR WHICH APPROVAL
5	OR RENEWAL IS SOUGHT.
6	(2) FOR PURPOSES OF THIS SUBSECTION, A PERSON OR FIRM THAT
7	IS CURRENT ON A PAYMENT AGREEMENT WITH THE TAXING AUTHORITY FOR
8	THE PROPERTY TAX DELINQUENCY SHALL NOT BE CONSIDERED DELINQUENT
9	WITH RESPECT TO THE OUTSTANDING PROPERTY TAX LIABILITY COVERED
10	BY SUCH AGREEMENT, BUT A PERSON OR FORM THAT IS IN BREACH OF
11	SUCH AGREEMENT SHALL BE CONSIDERED DELINQUENT.
12	SECTION 24.1. REPORTING BY AUTHORITIES IN CITIES OF THE
13	FIRST CLASSANY AUTHORITY IN A CITY OF THE FIRST CLASS SHALL,
14	ANNUALLY, NO LATER THAN THIRTY (30) DAYS AFTER THE END OF THE
15	FISCAL YEAR OF THE AUTHORITY, SUBMIT A COMPREHENSIVE WRITTEN
16	REPORT TO THE SECRETARY OF COMMUNITY AND ECONOMIC DEVELOPMENT,
17	THE MAJORITY AND MINORITY LEADERS OF THE SENATE, THE CHAIR AND
18	MINORITY CHAIR OF THE COMMITTEE ON URBAN AFFAIRS AND HOUSING OF
19	THE SENATE, THE MAJORITY AND MINORITY LEADERS OF THE HOUSE OF
20	REPRESENTATIVES, THE CHAIR AND MINORITY CHAIR OF THE COMMITTEE
21	ON URBAN AFFAIRS OF THE HOUSE OF REPRESENTATIVES, THE MAYOR AND
22	THE PRESIDENT OF COUNCIL REGARDING THE AUTHORITY'S OPERATIONS,
23	ADMINISTRATION, MANAGEMENT, FINANCES, LEGAL AFFAIRS, HOUSING
24	PRODUCTION AND DEVELOPMENT AND OTHER RELEVANT ACTIVITIES. THE
25	REPORT SHALL BE PRODUCED AND APPROVED BY THE MEMBERS AND THE
26	EXECUTIVE DIRECTOR OF THE AUTHORITY.
27	Section $\exists$ 4. This act shall take effect immediately IN 60
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28 DAYS.

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