THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL No. 616 Session of 2023

INTRODUCED BY HUGHES, SAVAL, CAPPELLETTI, KANE, HAYWOOD, TARTAGLIONE, FONTANA, BREWSTER, COMITTA, DILLON, COSTA, KEARNEY, MILLER, SCHWANK AND COLLETT, APRIL 24, 2023

REFERRED TO URBAN AFFAIRS AND HOUSING, APRIL 24, 2023

AN ACT

| 1 | Amending the act of December 3, 1959 (P.L.1688, No.621), |
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| 2 | entitled "An act to promote the health, safety and welfare of |
| 3 | the people of the Commonwealth by broadening the market for |
| 4 | housing for persons and families of low and moderate income |
| 5 | and alleviating shortages thereof, and by assisting in the |
| 6 | provision of housing for elderly persons through the creation |
| 7 | of the Pennsylvania Housing Finance Agency as a public |
| 8 | corporation and government instrumentality; providing for the |
| 9 | organization, membership and administration of the agency, |
| 10 | prescribing its general powers and duties and the manner in |
| 11 | which its funds are kept and audited, empowering the agency |
| 12 | to make housing loans to qualified mortgagors upon the |
| 13 | security of insured and uninsured mortgages, defining |
| 14 | qualified mortgagors and providing for priorities among |
| 15 | tenants in certain instances, prescribing interest rates and |
| 16 | other terms of housing loans, permitting the agency to |
| 17 | acquire real or personal property, permitting the agency to |
| 18 | make agreements with financial institutions and Federal |
| 19 | agencies, providing for the purchase by persons of low and |
| 20 | moderate income of housing units, and approving the sale of |
| 21 | housing units, permitting the agency to sell housing loans, |
| 22 | providing for the promulgation of regulations and forms by |
| 23 | the agency, prescribing penalties for furnishing false |
| 24 | information, empowering the agency to borrow money upon its |
| 25 | own credit by the issuance and sale of bonds and notes and by |
| 26 | giving security therefor, permitting the refunding, |
| 27 | redemption and purchase of such obligations by the agency, |
| 28 | prescribing remedies of holders of such bonds and notes, |
| 29 | exempting bonds and notes of the agency, the income |
| 30 | therefrom, and the income and revenues of the agency from |
| 31 | taxation, except transfer, death and gift taxes; making such |
| 32 | bonds and notes legal investments for certain purposes; and |
| 33 | indicating how the act shall become effective," in the |

| 1 2 | agency, providing for tracking system for publicly financed housing. |
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| 3 | The General Assembly of the Commonwealth of Pennsylvania |
| 4 | hereby enacts as follows: |
| 5 | Section 1. The act of December 3, 1959 (P.L.1688, No.621), |
| 6 | known as the Housing Finance Agency Law, is amended by adding a |
| 7 | section to read: |
| 8 | Section 209. Tracking System for Publicly Financed |
| 9 | Housing(a) Within one year of the effective date of this |
| 10 | section, the agency shall establish a system for tracking |
| 11 | publicly financed housing in this Commonwealth. The tracking |
| 12 | system shall include a methodology for: |
| 13 | (1) tracking the anticipated termination dates of |
| 14 | affordability restrictions affecting all publicly financed |
| 15 | properties in this Commonwealth; and |
| 16 | (2) to the extent permitted by Federal law or regulation, |
| 17 | disclosing the anticipated termination dates, along with any |
| 18 | other information required under subsection (b), in a database |
| 19 | posted to the agency's publicly accessible Internet website and |
| 20 | in reports required under subsection (d). |
| 21 | (b) No later than the first day of the month following the |
| 22 | month in which the tracking system required under subsection (a) |
| 23 | is implemented, the agency shall post to its publicly accessible |
| 24 | Internet website a searchable database of all publicly financed |
| 25 | housing in this Commonwealth. The database shall include all of |
| 26 | the following: |
| 27 | (1) The address of the property. |
| 28 | (2) The name and business address of the owner of the |
| 29 | property. |
| 30 | (3) The anticipated date on which the affordability |
| 31 | restrictions affecting the property may terminate. In the event |
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| 1 | that a property is subject to multiple affordability |
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| 2 | restrictions under one or more public-assistance programs, the |
| 3 | anticipated termination date for each affordability restriction |
| 4 | shall be included. |
| 5 | (4) To the extent available, information as to whether the |
| 6 | public-assistance program or programs affecting the property |
| 7 | allow the owner to elect to keep the property in the program or |
| 8 | programs after the anticipated termination date of affordability |
| 9 | restrictions relating to the program or programs. |
| 10 | (5) Information regarding whether the property has been |
| 11 | granted an extension or modification of the affordability |
| 12 | restrictions affecting the property and the new anticipated |
| 13 | termination date of the affordability restrictions resulting |
| 14 | from the extension or modification. |
| 15 | (6) Any other information the agency deems relevant. |
| 16 | (c) The agency shall maintain the database required under |
| 17 | subsection (b) and update the contents, including any updates |
| 18 | provided by a local housing agency under subsection (e), no |
| 19 | later than the last day of each March, June, September and |
| 20 | December. |
| 21 | (d) By December 31 in each year following the implementation |
| 22 | of the tracking system established under subsection (a), the |
| 23 | agency shall submit the following reports: |
| 24 | (1) To the Governor, a report containing the following: |
| 25 | (i) For each publicly financed housing property that has or |
| 26 | shall terminate in or before the end of the calendar year in |
| 27 | which the report is due, all of the information required under |
| 28 | subsection (b) and the aggregate number of the terminated or |
| 29 | terminating properties in this Commonwealth. |
| 30 | (ii) For each publicly financed housing property that is |
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| 1 | anticipated to terminate in or before the end of the first |
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| 2 | calendar year commencing after the due date of the report, all |
| 3 | of the information required under subsection (b) and the |
| 4 | aggregate number of terminating properties in this Commonwealth. |
| 5 | (iii) For each publicly financed housing property that is |
| 6 | anticipated to terminate in or before the end of the second |
| 7 | calendar year commencing after the due date of the report, all |
| 8 | of the information required under subsection (b) and the |
| 9 | aggregate number of the terminating properties in this |
| 10 | Commonwealth. |
| 11 | (2) To each member of the General Assembly, a report |
| 12 | containing the following: |
| 13 | (i) For each publicly financed housing property located |
| 14 | within the member's electoral district that has or shall |
| 15 | terminate in or before the end of the calendar year in which the |
| 16 | report is due, all of the information required under subsection |
| 17 | (b) and the aggregate number of the terminated or terminating |
| 18 | properties located within the district. |
| 19 | (ii) For each publicly financed housing property located |
| 20 | within the member's electoral district that is anticipated to |
| 21 | terminate in or before the end of the first calendar year |
| 22 | commencing after the due date of the report, all of the |
| 23 | information required under subsection (b) and the aggregate |
| 24 | number of terminating properties located within the district. |
| 25 | (iii) For each publicly financed housing property located |
| 26 | within the member's electoral district that is anticipated to |
| 27 | terminate in or before the end of the second calendar year |
| 28 | commencing after the due date of the report, all of the |
| 29 | information required under subsection (b) and the aggregate |
| 30 | number of terminating properties located within the district. |
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| 1 | (e) Within six months of the effective date of this section, |
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| 2 | a local housing agency shall deliver to the agency all of the |
| 3 | information required under subsection (b) with respect to each |
| 4 | property owned or operated by the local housing agency. |
| 5 | Following the implementation of the tracking system under |
| 6 | subsection (a), the local housing agency shall deliver to the |
| 7 | agency any updates with respect to the information required |
| 8 | under this subsection no later than the last day of every |
| 9 | February, May, August and November. The agency shall incorporate |
| 10 | all information delivered under this subsection in the publicly |
| 11 | accessible database required under subsection (b) and in all |
| 12 | reports required under subsection (d). |
| 13 | (f) The General Assembly shall appropriate sufficient funds |
| 14 | to the agency for the development and maintenance of the |
| 15 | database required under this section. |
| 16 | (g) As used in this section, the following words and phrases |
| 17 | shall have the meanings given to them in this subsection unless |
| 18 | the context clearly indicates otherwise: |
| 19 | "Affordability restriction." A limit on rent that an owner |
| 20 | may charge for occupancy of a rental unit in a publicly financed |
| 21 | housing development or a limit on tenant income for persons or |
| 22 | families seeking to qualify for admission to a publicly financed |
| 23 | housing development. |
| 24 | "Local housing agency." An entity created and organized for |
| 25 | the purpose of owning, operating, financing or administering one |
| 26 | or more publicly financed housing projects. |
| 27 | "Owner." A natural person, firm, partnership, corporation, |
| 28 | trust, organization, limited liability company or other entity, |
| 29 | or its successors or assigns, that holds title to publicly |
| 30 | financed housing. |
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| 1 | "Publicly financed housing." A housing unit or development |
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| 2 | that receives government assistance under any of the following |
| 3 | programs: |
| 4 | (1) 42 U.S.C. Ch. 8 Subch. I (relating to general program of |
| 5 | assisted housing), as it applies to new construction, |
| 6 | substantial rehabilitation, moderate rehabilitation, property |
| 7 | disposition and loan management set-aside programs or any other |
| 8 | program providing project-based rental assistance. |
| 9 | (2) The Federal Low Income Housing Tax Credit Program |
| 10 | provided under 26 U.S.C. § 42 (relating to low-income housing |
| 11 | <u>credit).</u> |
| 12 | (3) 12 U.S.C. § 1701s (relating to rent supplement payments |
| 13 | for qualified lower income families), as it applies to programs |
| 14 | for rent supplement assistance thereunder. |
| 15 | (4) 12 U.S.C. Ch. 13 (relating to national housing). |
| 16 | (5) The below-market interest rate program under 12 U.S.C. |
| 17 | <u>§ 17151(d)(3) (relating to housing for moderate income and</u> |
| 18 | <u>displaced families).</u> |
| 19 | (6) 12 U.S.C. § 17151(d)(4), to the extent the project's |
| 20 | rents are restricted under a government agreement. |
| 21 | (7) 12 U.S.C. § 1715z-1 (relating to rental and cooperative |
| 22 | housing for lower income families). |
| 23 | <u>(8) 42 U.S.C. § 1441 et seq. (Housing Act of 1949).</u> |
| 24 | (9) 42 U.S.C. § 1490a (relating to loans to provide occupant |
| 25 | owned, rental, and cooperative housing for low and moderate |
| 26 | income, elderly or handicapped persons or families). |
| 27 | (10) The Urban Development Action Grant provided under 42 |
| 28 | U.S.C. § 5318 (relating to urban development action grants), to |
| 29 | the extent that the affordability of dwelling units subject to |
| 30 | the program are restricted under a government agreement. |
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| 1 | (11) The Housing Development Action grant provided under 42 |
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| 2 | U.S.C. Ch. 8 Subch. I, to the extent the project's rents are |
| 3 | restricted under a government agreement. |
| 4 | (12) The Pennsylvania Housing Tax Credit provided under |
| 5 | Article XIX-G of the act of March 4, 1971 (P.L.6, No.2), known |
| 6 | as the "Tax Reform Code of 1971." |
| 7 | (13) Any other housing unit or development that receives |
| 8 | government assistance under Federal or State programs similar to |
| 9 | the other programs listed in this subsection. |
| 10 | "Tenant." A person entitled to possession or occupancy of a |
| 11 | rental unit in publicly financed housing, including a subtenant, |
| 12 | <u>lessee or sublessee.</u> |
| 13 | "Termination." The cessation, discharge or removal of an |
| 14 | affordability restriction affecting publicly financed housing in |
| 15 | |
| | the absence of a simultaneous replacement of that restriction |
| 16 | the absence of a simultaneous replacement of that restriction with an equivalent affordability restriction, including: |
| 16 17 | |
| | with an equivalent affordability restriction, including: |
| 17 | with an equivalent affordability restriction, including: (1) Nonrenewal or termination, in whole or in part, of a |
| 17 18 | <pre>with an equivalent affordability restriction, including: (1) Nonrenewal or termination, in whole or in part, of a government program contract.</pre> |
| 17 18 19 | <pre>with an equivalent affordability restriction, including: (1) Nonrenewal or termination, in whole or in part, of a government program contract. (2) The expiration, in whole or in part, of an affordability</pre> |
| 17 18 19 20 | <pre>with an equivalent affordability restriction, including: (1) Nonrenewal or termination, in whole or in part, of a government program contract. (2) The expiration, in whole or in part, of an affordability restriction under a government program or the requirement to</pre> |
| 17 18 19 20 21 | <pre>with an equivalent affordability restriction, including: (1) Nonrenewal or termination, in whole or in part, of a government program contract. (2) The expiration, in whole or in part, of an affordability restriction under a government program or the requirement to renew the restriction.</pre> |

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