

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL

## No. 2378

 Session of 2002

INTRODUCED BY M. WRIGHT, THOMAS, DIGIROLAMO, WATSON, CAPPELLI, COLAFELLA, COY, DALEY, HALUSKA, HARHAI, HORSEY, McCALL, McILHATTAN, MICOZZIE, READSHAW, SATHER, SHANER, R. STEVENSON, WILT, YOUNGBLOOD AND LEDERER, FEBRUARY 14, 2002

AS REPORTED FROM COMMITTEE ON COMMERCE AND ECONOMIC DEVELOPMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 12, 2002

## AN ACT

1 Amending the act of December 14, 1992 (P.L.866, No.137),  
2 entitled "An act authorizing certain counties to increase the  
3 recording fees of deeds and mortgages to support or enhance  
4 local affordable housing efforts," amending the title and  
5 short title of the act; further providing for legislative  
6 purpose, for definitions, for optional fee increases and for  
7 disposition of proceeds; and providing for economic  
8 development efforts.

9 The General Assembly of the Commonwealth of Pennsylvania  
10 hereby enacts as follows:

11 Section 1. The title and sections 1, 2, 3, 4 and 5 of the  
12 act of December 14, 1992 (P.L.866, No.137), known as the  
13 Optional County Affordable Housing Funds Act, are amended to  
14 read:

## AN ACT

15  
16 Authorizing certain counties to increase the recording fees of  
17 deeds and mortgages to support or enhance local affordable  
18 housing efforts and economic development initiatives.

19 Section 1. Short title.

1 This act shall be known and may be cited as the Optional  
2 County Affordable Housing and Economic Development Funds Act.

3 Section 2. Legislative purpose.

4 The General Assembly intends to provide an alternative method  
5 for county governments to raise revenues at the local level to  
6 enable county residents to purchase or rent quality residential  
7 housing and to pursue economic development efforts that  
8 revitalize areas and communities, maximize use of local economic  
9 assets and create business and employment opportunities for  
10 their residents.

11 Section 3. Definitions.

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

15 "Affordable housing effort." Any program or project approved  
16 by the county commissioners which increases the availability of  
17 quality housing, either sales or rental, to any county resident  
18 whose annual income is less than the median income of the  
19 county.

20 "County." Any county of the second, second A, third, fourth,  
21 fifth, sixth, seventh or eighth class. The term does not include  
22 any county of the first class.

23 "Economic development effort." A program or project approved  
24 by the county commissioners which promotes redevelopment and  
25 revitalization of dilapidated areas, upgrading of infrastructure  
26 or aesthetics and beautification with the intent of creating or  
27 attracting business activity and jobs for local residents.

28 Section 4. Optional fee increases.

29 (a) Recording fees.--The county commissioners or the  
30 governing body of each county, as defined in section 3, shall

1 have the power and may by ordinance increase the fees charged by  
2 the recorder of deeds for recording deeds and mortgages under  
3 the act of June 12, 1919 (P.L.476, No.240), referred to as the  
4 Second Class County Recorder of Deeds Fee Law, and the act of  
5 April 8, 1982 (P.L.310, No.87), referred to as the Recorder of  
6 Deeds Fee Law.

7 (b) Limitation.--The additional fees levied by the county  
8 commissioners shall not exceed 100% for affordable housing and  
9 200% for economic development of the amounts charged on the  
10 effective date of this act.

11 (c) Certain counties.--Counties that already have an  
12 affordable housing program may increase fees levied up to 100%  
13 for economic development of the amounts charged on the effective  
14 date of this act.

15 Section 5. Disposition of proceeds.

16 All additional moneys raised under section 4 shall be  
17 deposited in the general fund of the county and shall be  
18 allocated as follows: A minimum of 85% or such higher amount as  
19 may be determined by the county of the additional revenue shall  
20 be set aside in a separate account to be used to fund affordable  
21 housing efforts in the county. [Fifteen percent of the amount <—  
22 allocated under this paragraph may be used by the county for the  
23 administrative costs associated with the affordable housing and <—  
24 economic development efforts.] IN ADDITION, IF THE ECONOMIC <—  
25 DEVELOPMENT TRUST FUND OPTION IS EXERCISED, A MINIMUM OF 85% OR  
26 SUCH HIGHER AMOUNT AS MAY BE DETERMINED BY THE COUNTY OF THE  
27 ADDITIONAL REVENUE SHALL BE SET ASIDE IN A SEPARATE ACCOUNT TO  
28 BE USED TO FUND ECONOMIC DEVELOPMENT EFFORTS IN THE COUNTY. IN  
29 ADDITION, UP TO 15% OF THE ADDITIONAL MONEY RAISED MAY BE USED  
30 BY THE COUNTY FOR THE ADMINISTRATIVE COSTS ASSOCIATED WITH

1 AFFORDABLE HOUSING AND ECONOMIC DEVELOPMENT EFFORTS.

2 Section 2. The act is amended by adding a section to read:

3 Section 6.1. Economic development efforts.

4 Economic development efforts may include, but shall not be  
5 limited to:

6 (1) Providing matching funds to secure private, Federal  
7 and State economic development funds.

8 (2) Assisting and supporting efforts by the  
9 Commonwealth, developers and lending institutions to  
10 redevelop or revitalize local areas.

11 (3) Supporting the efforts of municipalities in regard  
12 to infrastructure and aesthetic improvements with grants and  
13 zero percent loans for the purpose of retaining or expanding  
14 their business base.

15 Section 3. This act shall take effect in 60 days.