

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2664 Session of 2022

INTRODUCED BY R. BROWN, STURLA, HILL-EVANS, ZABEL, SANCHEZ, CIRESI, LONGIETTI AND BRIGGS, JUNE 9, 2022

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JUNE 9, 2022

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled
 2 "An act relating to the finances of the State government;
 3 providing for cancer control, prevention and research, for
 4 ambulatory surgical center data collection, for the Joint
 5 Underwriting Association, for entertainment business
 6 financial management firms, for private dam financial
 7 assurance and for reinstatement of item vetoes; providing for
 8 the settlement, assessment, collection, and lien of taxes,
 9 bonus, and all other accounts due the Commonwealth, the
 10 collection and recovery of fees and other money or property
 11 due or belonging to the Commonwealth, or any agency thereof,
 12 including escheated property and the proceeds of its sale,
 13 the custody and disbursement or other disposition of funds
 14 and securities belonging to or in the possession of the
 15 Commonwealth, and the settlement of claims against the
 16 Commonwealth, the resettlement of accounts and appeals to the
 17 courts, refunds of moneys erroneously paid to the
 18 Commonwealth, auditing the accounts of the Commonwealth and
 19 all agencies thereof, of all public officers collecting
 20 moneys payable to the Commonwealth, or any agency thereof,
 21 and all receipts of appropriations from the Commonwealth,
 22 authorizing the Commonwealth to issue tax anticipation notes
 23 to defray current expenses, implementing the provisions of
 24 section 7(a) of Article VIII of the Constitution of
 25 Pennsylvania authorizing and restricting the incurring of
 26 certain debt and imposing penalties; affecting every
 27 department, board, commission, and officer of the State
 28 government, every political subdivision of the State, and
 29 certain officers of such subdivisions, every person,
 30 association, and corporation required to pay, assess, or
 31 collect taxes, or to make returns or reports under the laws
 32 imposing taxes for State purposes, or to pay license fees or
 33 other moneys to the Commonwealth, or any agency thereof,
 34 every State depository and every debtor or creditor of the

1 Commonwealth," in emergency COVID-19 response relating to
2 Pennsylvania Housing Finance Agency, providing for
3 Development Cost Relief Program; and making an appropriation.

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

6 Section 1. The act of April 9, 1929 (P.L.343, No.176), known
7 as The Fiscal Code, is amended by adding a section to read:

8 Section 195-C. Development Cost Relief Program.

9 (a) Establishment.--The Development Cost Relief Program is
10 established in the agency to support the production of
11 developments by addressing financial deficiencies attributable
12 to the effects of the COVID-19 pandemic and other factors.

13 (b) Eligibility.--A development that meets all of the
14 following criteria shall be eligible for an award under this
15 section:

16 (1) Has applied for, or has received a conditional or
17 full allocation from the agency of, low-income housing tax
18 credits under section 42 of the Internal Revenue Code of 1986
19 (Public Law 99-514, 26 U.S.C. § 42) during the 2019, 2020,
20 2021 or 2022 application cycles.

21 (2) Has not, as of the effective date of this section,
22 received a certificate of occupancy for each unit within the
23 development.

24 (3) Has experienced cost increases, or a loss in equity
25 investment, as the result of conditions arising from or
26 related to the effects of the COVID-19 pandemic which, in the
27 judgment of the agency, necessitates the provision of
28 additional funding to complete the development.

29 (c) Application.--The agency shall make available to an
30 eligible development an application that requires information,
31 as determined necessary by the agency, to verify the need of the

1 development and to determine the extent to which money allocated
2 under this section should be awarded, while ensuring that the
3 development remains in compliance with the low-income housing
4 tax credit program.

5 (d) Determination.--

6 (1) Upon a determination of eligibility for money
7 allocated under this section, the agency shall provide the
8 development with a letter of commitment indicating the
9 conditional award amount.

10 (2) The agency shall use the same closing process and
11 terms for an award of money under the program as is used for
12 an award from the Pennsylvania housing affordability and
13 rehabilitation enhancement program for a low-income housing
14 tax credit recipient development.

15 (e) Limitation.--Money allocated for the program may not be
16 used to supplant other agency-committed resources, except if the
17 development risks noncompliance with the low-income housing tax
18 credit program. Projects that have received or have been
19 approved by the agency for construction cost relief funding
20 under section 194-C may receive additional funding under the
21 program.

22 (f) Definitions.--As used in this section, the following
23 words and phrases shall have the meanings given to them in this
24 subsection unless the context clearly indicates otherwise:

25 "Agency." The Pennsylvania Housing Finance Agency.

26 "Development." An affordable multifamily rental development.

27 "Program." The Development Cost Relief Program established
28 under this section.

29 Section 2. This act shall not affect the award or use of
30 money provided to a development under section 194-C of the act.

1 An amount that has not been awarded by the agency under section
2 194-C of the act shall be available for award under section 195-
3 C of the act, in addition to any amount made available under
4 this act with respect to the General Appropriation Act of 2022.

5 Section 3. The sum of \$150,000,000 of Federal funds in the
6 COVID-19 Response Restricted Account from the American Rescue
7 Plan Act of 2021 (Public Law 117-2, 135 Stat. 4) is appropriated
8 to the Pennsylvania Housing Finance Agency for the purpose of
9 making awards under section 195-C of the act. The provisions of
10 section 111-C(g) of the act shall not apply to the amount
11 appropriated under this section.

12 Section 4. This act shall take effect July 1, 2022, or
13 immediately, whichever is later.