AN ACT

Amending the act of April 9, 1929 (P.L.343, No.176), entitled "An act relating to the finances of the State government; providing for cancer control, prevention and research, for ambulatory surgical center data collection, for the Joint Underwriting Association, for entertainment business financial management firms, for private dam financial assurance and for reinstatement of item vetoes; providing for the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth, authorizing the Commonwealth to issue tax anticipation notes to defray current expenses, implementing the provisions of section 7(a) of Article VIII of the Constitution of Pennsylvania authorizing and restricting the incurring of certain debt and imposing penalties; affecting every department, board, commission, and officer of the State government, every political subdivision of the State, and certain officers of such subdivisions, every person, association, and corporation required to pay, assess, or collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or other moneys to the Commonwealth, or any agency thereof, every State depository and every debtor or creditor of the
Commonwealth," in emergency COVID-19 response, further providing for definitions relating to Pennsylvania Housing Finance Agency and for mortgage and rental assistance program.

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

Section 1. The definition of "eligible landlord" in section 190-C of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, added May 29, 2020 (P.L.186, No.241), is amended and the section is amended by adding a definition to read:

Section 190-C. Definitions.

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

"Eligible landlord." An individual or entity owning a place of residence that leases the residence to an individual and that experienced a loss of rental income because the lessee became unemployed after March 1, 2020, or the lessee had their annual household income reduced by 30% or more due to reduced work hours and wages related to COVID-19. [The loss of rental income must be at least 30 days past due.]

"Program." The COVID-19 Relief - Mortgage and Rental Assistance Grant Program established under section 191-C(a).

Section 2. Section 191-C(f) and (g) of the act, added May 29, 2020 (P.L.186, No.241), are amended to read:

Section 191-C. Mortgage and Rental Assistance Program.

(f) [(Reserved).] Administrative fee.--To cover costs associated with the administration of the program, the agency
may utilize an amount not to exceed the lesser of 5% of the money appropriated for COVID-19 Relief - Mortgage and Rental Assistance or the actual costs of administering the program.

(g) Program requirements.--The following shall apply:

(1) An eligible lessee, mortgagor, landlord or mortgagee shall submit to the agency the name of the lessee or mortgagor from whom rental or mortgage payments are sought, along with any additional information deemed necessary by the agency to carry out the agency's responsibilities under this section.

(2) Assistance may be awarded to lessors or mortgagees on behalf of lessees or mortgagors who became unemployed after March 1, 2020, or had their annual household income reduced by 30% or more due to reduced work hours and wages related to COVID-19.

(3) The agency shall develop an application for eligible lessees, mortgagors, landlords or mortgagees to apply for assistance under this section within 30 days of the effective date of this section. The application shall include an attestation by the landlord or mortgagee releasing the lessee or mortgagor of any remaining obligation fees or penalties for any past due or future rent or mortgage payment for which the agency pays the landlord or mortgagee. The application shall be made available and posted on the agency's publicly accessible Internet website and be in a form that can be completed and returned by the lessee, mortgagor, landlord or mortgagee electronically or through the United States mail. The deadline for submitting applications to the agency shall be [September 30,] October 31, 2020.

(4) The agency shall verify the name of the lessee or
mortgagor with the Department of Labor and Industry's Bureau of Unemployment Compensation to ensure the lessee or mortgagor became unemployed after March 1, 2020.

(5) The agency shall require any applicant seeking assistance based on reduced work hours or wages related to the coronavirus pandemic to submit information verifying such information.

(6) The agency shall make payments only to lessors or mortgagees.

(7) The agency shall make payments only on behalf of households with an annualized current income of no more than the upper limit of "median income" as defined in guidelines published annually by the United States Department of Housing and Urban Development.

(8) The agency shall notify each lessee or mortgagor of the amount of payment made to the landlord or mortgagee on the lessee's or mortgagor's behalf.

(9) The agency shall make payments as follows:

(i) For rental assistance, an amount equal to 100% of the lessee's monthly rent, not to exceed [$750 per month, 130% of the fiscal year 2020 fair market rent for a two-bedroom unit in the local area for Pennsylvania as determined by the United States Department of Housing and Urban Development], for each month for which assistance is sought for a maximum of six months. Payments shall be made no later than November 30, 2020.

(ii) For mortgage assistance, an amount equal to 100% of the mortgagor's monthly mortgage, not to exceed [$1,000, $1,500 per month, for each month for which assistance is sought for a maximum of six months. 
Payments shall be made no later than November 30, 2020.

(iii) In addition to any payment under subparagraph (i), a landlord who agrees to release the lessee of any remaining obligation for past due or future rent for all the months that the agency pays the landlord shall be entitled to an additional payment for each month equal to 25% of the outstanding balance, not to exceed the remaining monthly rent or $600, whichever is less. If the total rent is covered by the payment under subparagraph (i), a landlord shall not be eligible for an additional payment under this subparagraph.

(iv) In addition to any payment under subparagraph (ii), a mortgagee who agrees to release the mortgagor of any remaining obligation for past due or future mortgage payment for all the months that the agency pays the mortgagee shall be entitled to an additional payment for each month equal to 25% of the outstanding balance, not to exceed the remaining monthly mortgage amount or $600, whichever is less. If the total mortgage payment is covered by the payment under subparagraph (ii), a mortgagee shall not be eligible for an additional payment under this subparagraph.

(10) Notwithstanding any other provision of law, the following shall apply:

(i) A landlord who receives payments for a lessee under the program shall be required to offer the lessee a repayment plan for any rent obligation outstanding after payments received from the program are applied to the lessee's rent obligation. The repayment plan may not include any late fees or interest for the months in which
rental assistance was provided through the program. A repayment plan under this subparagraph may not be shorter than 12 months or the number of months outstanding on a lessee's lease. If a lessee is renting under a month-to-month lease, the repayment plan term may not be shorter that 12 months.

(ii) A mortgagee who receives payments for a mortgagor under the program that are not sufficient to cure any outstanding obligation after payments received from the program are applied to the mortgagor's mortgage account shall assess the mortgagor's eligibility for possible loss mitigation options, as may be available under applicable investor or insurer guidelines.

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Section 3. This act shall take effect immediately.