

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1317 Session of
2007

INTRODUCED BY DePASQUALE, SCAVELLO, BELFANTI, CARROLL, CURRY,
DALEY, DeWEESE, DONATUCCI, FRANKEL, FREEMAN, GEORGE, GERBER,
GOODMAN, HARHAI, HERSHEY, JOSEPHS, KORTZ, KULA, LEACH,
MANDERINO, MANN, MARKOSEK, McCALL, McGEEHAN, MOUL, MUNDY,
M. O'BRIEN, PETRONE, PRESTON, RAYMOND, READSHAW, SANTONI,
SIPTROTH, SURRA, TANGRETTI, WALKO, YOUNGBLOOD, YUDICHAK AND
CALTAGIRONE, MAY 18, 2007

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
MAY 18, 2007

AN ACT

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

1 notes, exempting bonds and notes of the agency, the income
2 therefrom, and the income and revenues of the agency from
3 taxation, except transfer, death and gift taxes; making such
4 bonds and notes legal investments for certain purposes; and
5 indicating how the act shall become effective," establishing
6 an energy-efficient home assistance program.

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

9 Section 1. The act of December 3, 1959 (P.L.1688, No.621),
10 known as the Housing Finance Agency Law, is amended by adding an
11 article to read:

12 ARTICLE IV-D

13 ENERGY-EFFICIENT HOME ASSISTANCE PROGRAM

14 Section 401-D. General authority.

15 (a) Pilot program.--

16 (1) The agency shall operate a pilot program for two
17 years commencing with the effective date of this section,
18 which program shall award grants of up to \$5,000 to
19 homebuyers to offset closing costs or down payment
20 assistance, including, but not limited to, the mortgage rate
21 buy-down, for homes that meet the following criteria for
22 energy efficiency or alternative energy systems, or both.

23 (2) After the conclusion of the pilot program the agency
24 may, in its sole discretion, continue to make such grants in
25 accordance with this article, based on availability of
26 funding.

27 (b) Grant amount.--

28 (1) Two thousand five hundred dollars of a grant issued
29 under this article may be provided to the purchaser of a home
30 that exceeds the energy and water conservation requirements
31 set by the Statewide Uniform Construction Code and achieves
32 an Energy Star Label certified to by a Home Energy Rating

1 System rater.

2 (2) An additional grant amount of \$2,500 may be provided
3 to the purchaser of a home that incorporates an alternative
4 energy generating system in its design. These systems
5 include, but are not limited to, photovoltaic solar energy
6 systems, solar hot water heater systems, wind turbine energy
7 systems or passive solar energy systems.

8 (3) Evidence shall be provided by the grantee to
9 document to the agency that the alternative energy generating
10 system was properly designed and installed to maximize the
11 energy output or energy savings potential of the system.

12 (c) Grant provisions.--The grant shall be a separate product
13 attached to other mortgage products to assist with offsetting
14 the closing costs or down payment assistance for the grant.

15 Section 402-D. Grant repayment.

16 (a) General rule.--A grant issued under this article may not
17 be required to be repaid to the agency if the home is owned by
18 the grantee for a minimum period of five years after the closing
19 date on the home.

20 (b) Recapture.--In the event the grantee relinquishes the
21 home in less than five years from the closing date on the home,
22 the agency shall be entitled to recapture one-fifth of the grant
23 for each succeeding year up to the five-year minimum.

24 Section 403-D. Eligibility.

25 In order to be eligible for a grant under this article:

26 (1) The home must be the primary residence of the
27 grantee.

28 (2) The home must be new construction with no prior
29 occupants.

30 (3) The maximum income of the grantee may not exceed

1 150% of Statewide median income.

2 Section 404-D. Participating lenders.

3 The agency shall offer the grant through participating
4 lenders of the agency as well as other independent lending
5 institutions.

6 Section 405-D. Program guidelines.

7 Within 60 days of the of the effective date of this section,
8 the agency shall adopt initial program guidelines for the
9 implementation of this article and may revise the guidelines
10 whenever appropriate.

11 Section 406-D. Report to General Assembly.

12 The agency shall, within 60 days of the conclusion of the
13 pilot program, submit a written report to the General Assembly
14 on the implementation of the program.

15 Section 2. This act shall take effect in 60 days.