THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 470

Session of 2017

INTRODUCED BY BLAKE, BREWSTER, SABATINA, SCHWANK, FONTANA, COSTA, YUDICHAK, GORDNER, HAYWOOD, FARNESE, HUGHES, BOSCOLA AND BROWNE, MARCH 1, 2017

REFERRED TO URBAN AFFAIRS AND HOUSING, MARCH 1, 2017

AN ACT

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

- 1 Pennsylvania Housing Affordability and Rehabilitation
- 2 Enhancement Program, further providing for definitions and
- 3 for fund.
- 4 The General Assembly of the Commonwealth of Pennsylvania
- 5 hereby enacts as follows:
- 6 Section 1. Section 401-D of the act of December 3, 1959
- 7 (P.L.1688, No.621), known as the Housing Finance Agency Law, is
- 8 amended by adding a definition to read:
- 9 Section 401-D. Definitions.
- 10 The following words and phrases when used in this article
- 11 shall have the meanings given to them in this section unless the
- 12 context clearly indicates otherwise:
- 13 "County." A county of the first, second, second class A,
- 14 third, fourth, fifth, sixth, seventh or eighth class.
- 15 * * *
- 16 Section 2. Section 406-D of the act is amended by adding a
- 17 subsection to read:
- 18 Section 406-D. Fund.
- 19 * * *
- 20 (d) Optional county funding. --
- 21 (1) The governing body of each county may, by ordinance,
- 22 <u>increase fees charged by the recorder of deeds for recording</u>
- 23 any documents except:
- (i) In counties of the second, second class A,
- 25 <u>third, fourth, fifth, sixth, seventh and eighth class,</u>
- deeds and mortgages.
- 27 <u>(ii) In counties of the first class, deeds,</u>
- 28 <u>mortgages and related mortgage documents that are or may</u>
- 29 be subject to 53 Pa.C.S. Ch. 60 Subch. C (relating to
- 30 <u>affordable housing programs and funding in cities of</u>
- 31 first class).

| Τ. | (2) The governing body of each country shall notify the |
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| 2 | agency in writing upon adoption of an ordinance provided for |
| 3 | under paragraph (1). The notice shall also include a list of |
| 4 | the fees to be increased. |
| 5 | (3) The additional fees levied by a governing body of a |
| 6 | county of the second, second class A, third, fourth, fifth, |
| 7 | sixth, seventh or eighth class under paragraph (1) shall not |
| 8 | exceed 100% of the amounts charged under the act of June 12, |
| 9 | 1919 (P.L.476, No.240), referred to as the Second Class |
| 10 | County Recorder of Deeds Fee Law, or the act of April 8, 1982 |
| 11 | (P.L.310, No.87), referred to as the Recorder of Deeds Fee |
| 12 | Law, on the effective date of this subsection. The additional |
| 13 | fees levied by a governing body of a county of the first |
| 14 | class under paragraph (1) shall not exceed 100% of the |
| 15 | amounts charged by a city or county of the first class for |
| 16 | recording documents other than deeds, mortgages and other |
| 17 | related mortgage documents on the effective date of this |
| 18 | subsection. |
| 19 | (4) Money collected as a result of the fee imposed under |
| 20 | this subsection shall be allocated as follows: |
| 21 | (i) At least 75% of the money collected shall be |
| 22 | deposited into the fund. |
| 23 | (ii) A county may retain up to 25% of the money |
| 24 | collected to be utilized for local affordable housing |
| 25 | efforts, and may, at the discretion of the county, |
| 26 | deposit the money into an account already established for |
| 27 | such purpose under 53 Pa.C.S. § 6012 (relating to |
| 28 | disposition of proceeds in counties). |
| 29 | (5) The agency shall give preference to applications for |
| 30 | funding under this subsection if the proposed project is |
| | |

- 1 <u>located within a county that has enacted an ordinance under</u>
- 2 paragraph (1).
- 3 Section 3. This act shall take effect in 60 days.