



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 639

PRINTERS NO. 640

PRIME SPONSOR: J. Taylor

COST / (SAVINGS)

FUND	FY 2010/11	FY 2011/12
Philadelphia Housing Trust Fund	\$0	(\$3,940,560)

SUMMARY: Removes a date that impedes an increase in the fees that help pay for affordable housing programs in the city of Philadelphia. This legislation takes effect in 60 days.

ANALYSIS: This legislation amends Title 53, Section 6021(b) to remove a date “January 31, 2005” that prevents the City of Philadelphia from increasing its affordable housing program fees.

FISCAL IMPACT: This legislation will have no adverse impact on Commonwealth funds. Based on housing data provided by the City of Philadelphia, the fee increases will generate \$3,940,560 in new revenue for the city in the Fiscal Year ending June 30, 2012. The data provided was from Fiscal Year 2010 and represented 131,352 recordings. This was the lowest level of housing activity since the Philadelphia Housing Trust Fund was created in 2005.

At present, this fee is limited to no more than 100% of the amount charged by the City for the recording of deeds, mortgages and other mortgage documents on January 31, 2005. By removing this date, the City will be able to charge an affordable housing fee of up to 100% of the current amount charged for recording such documents, and the affordable housing fee will automatically rise if the amount charged for recording deeds and mortgages increases. The City of Philadelphia has passed an ordinance that would increase these affordable housing fees, which is contingent upon enactment of authorization legislation of the General Assembly.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: April 26, 2011

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.