

HOUSING AUTHORITIES LAW - OMNIBUS AMENDMENTS

Act of Jul. 5, 2012, P.L. 1093, No. 130

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Session of 2012

No. 2012-130

SB 1174

AN ACT

Amending the act of May 28, 1937 (P.L.955, No.265), entitled, as amended, "An act to promote public health, safety, morals, and welfare by declaring the necessity of creating public bodies, corporate and politic, to be known as housing authorities to engage in slum clearance, and to undertake projects, to provide dwelling accommodations for persons of low income; providing for the organization of such housing authorities; defining their powers and duties; providing for the exercise of such powers, including the acquisition of property by purchase, gift or eminent domain, the renting and selling of property, and including borrowing money, issuing bonds, and other obligations, and giving security therefor; prescribing the remedies of obligees of housing authorities; authorizing housing authorities to enter into agreements, including agreements with the United States, the Commonwealth, and political subdivisions and municipalities thereof; defining the application of zoning, sanitary, and building laws and regulations to projects built or maintained by such housing authorities; exempting the property and securities of such housing authorities from taxation; and imposing duties and conferring powers upon the State Planning Board, and certain other State officers and departments," further providing for appointment of members of authority, for qualifications, tenure and compensation of members of authority and for organization of authority; and providing for whistleblower hotline, for requirements regarding tenants and landlords in cities of the first class and for reporting by authorities in cities of the first class.

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

Section 1. Section 5(b) of the act of May 28, 1937 (P.L.955, No.265), known as the Housing Authorities Law, amended March 21, 1968 (P.L.69, No.25) and July 15, 1968 (P.L.337, No.163), is amended and the section is amended by adding a subsection to read:

Section 5. Appointment of Members of an Authority.--* * *

(b) The governing body of any city upon issuing a certificate declaring the need for an Authority to operate in such city or upon receiving notice of the issuance of such certificate by the Governor, shall promptly notify the mayor of such certification. Upon receiving such notice, the mayor, with the approval of the majority of the members of council, shall appoint [five citizens,] residents of the city[,] to be members of the housing authority of such city **as follows**--(1) that in cities of the first class, [the mayor shall appoint two members, the city controller shall appoint two members, and the four members, thus appointed, shall select a fifth member of such Authority] **members shall be appointed as provided in subsection (c)**; (2) that in cities of the second class, the mayor shall appoint two additional members for a total of seven members of the housing authority; (3) that in cities of the

third class, the mayor, with the approval of the majority of the members of council, shall appoint five persons to be members of the housing authority of such city, such members shall be citizens residing within the city for which the Authority is created.

(c) (1) In cities of the first class, the mayor, with the approval of the majority of the members of council, shall appoint a total of nine members, two of whom shall be residents of housing owned or controlled by the Authority.

(2) The two members required to be residents of housing owned or controlled by the Authority shall be chosen pursuant to a nomination process agreed upon by the mayor, council president and the executive director of the Authority.

(3) With respect to vacancies existing at the time this subsection becomes effective, if council fails to act on any proposed appointee to such a vacancy within sixty (60) days of the mayor's submission of the proposed appointee to council, the mayor may, without the approval of council, appoint such person to be a member of the Authority; as many proposed appointees may be appointed in this manner as may be necessary to bring membership on this Authority to five members. A member appointed without the approval of council may be subsequently approved by council, or may be replaced by another member appointed by the mayor, with the approval of the majority of the members of council.

Section 1.1. Section 6 of the act, amended March 21, 1968 (P.L.69, No.25) and July 15, 1968 (P.L.337, No.163), is amended to read:

Section 6. Qualifications, Tenure and Compensation of Members of an Authority.--No more than two persons holding any other paid public office shall be members of the same housing authority at the same time. **No elected official shall be a member of a housing authority in a city of the first class.** The members who are first appointed shall serve for terms of one, two, three, four, and five years, respectively, from the date of their appointment, as shall be specified at the time of their appointment, **except that all members of the housing authority of a city of the first class shall serve for terms concurrent with the term of the appointing mayor.** Thereafter the term of office shall be five years, **except as otherwise provided with respect to members of the housing authority of a city of the first class.** The two additional members to be appointed in cities of the second class shall serve for terms of five years. A member shall hold office until his successor has been appointed. Vacancies for unexpired terms shall be promptly filled by the appointing power. A member may be removed for cause by the court of quarter sessions of the county in which the Authority is located after having been provided with a copy of the charges against him for at least ten days and full hearing by the court, **except effective January 4, 2016, in a city of the first class, the mayor of such city may, without cause, remove up to five members of an Authority of such city during any calendar year, with resulting vacancies to be filled pursuant to section 5(c); removal of any member in excess of five in a single calendar year shall be as otherwise provided in this section.** A member shall receive no compensation for his services, but he shall be entitled to the necessary expenses, including travelling expenses incurred in the discharge of his duties.

Section 2. Section 7 of the act is amended to read:

Section 7. Organization of an Authority.--(a) The members of an Authority shall select from among themselves a chairman and a vice-chairman. The Authority may employ a secretary, such technical experts, and such other officers, agents, and employes, permanent or temporary, as it may require, and may determine the qualifications of such persons. Three members of an Authority shall constitute a quorum for its meetings, **except that a majority of the members of the Authority then in office in a city of the first class shall constitute a quorum for meetings of such an Authority.** Any Authority may employ its own counsel and legal staff. Members of an Authority shall not be liable personally on the bonds or other obligations of the Authority, and the rights of creditors shall be solely against such Authority. An Authority may delegate to one or more of its agents or employes such of its powers as it shall deem necessary to carry out the purposes of this act, subject always to the supervision and control of the Authority.

(b) In an Authority in a city of the first class, the executive director and staff with executive duties who report directly to either the executive director or members of the Authority shall be at-will employes of the Authority and shall serve at the pleasure of the members of the Authority. The Authority shall not provide any payment or other thing of value to such employes in connection with their separation from employment, other than salary and benefits to which they are entitled for regular employment through the date of separation.

Section 3. The act is amended by adding sections to read:

Section 10.2. Whistleblower Hotline.--An Authority of a city of the first class shall maintain and monitor a whistleblower hotline for the reporting of fraud, waste, abuse or any wrongdoing in connection with the affairs of the Authority.

Section 13.1. Requirements Regarding Tenants and Landlords in Cities of the First Class.--(a) An Authority of a city of the first class shall take such measures as are necessary to ensure compliance with all requirements imposed on the Authority by Federal law regarding criminal activity by tenants and prospective tenants, including, but not limited to, all requirements regarding background checks.

(b) (1) An Authority of a city of the first class shall not approve or renew any person or firm as a landlord in the Housing Choice Voucher Program established pursuant to 24 CFR Pt. 982 (relating to section 8 tenant based assistance: housing choice voucher program) if such person or firm is delinquent on any property tax due with respect to the property for which approval or renewal is sought.

(2) For purposes of this subsection, a person or firm that is current on a payment agreement with the taxing authority for the property tax delinquency shall not be considered delinquent with respect to the outstanding property tax liability covered by such agreement, but a person or form that is in breach of such agreement shall be considered delinquent.

Section 24.1. Reporting by Authorities in Cities of the First Class.--Any Authority in a city of the first class shall, annually, no later than thirty (30) days after the end of the fiscal year of the Authority, submit a comprehensive written report to the Secretary of Community and Economic Development, the Majority and Minority Leaders of the Senate, the chair and minority chair of the Committee on Urban Affairs and Housing of the Senate, the Majority and Minority Leaders of the House of Representatives, the chair and minority chair of the Committee on Urban Affairs of the House of Representatives, the

Mayor and the President of Council regarding the Authority's operations, administration, management, finances, legal affairs, housing production and development and other relevant activities. The report shall be produced and approved by the members and the executive director of the Authority.

Section 4. This act shall take effect in 60 days.

APPROVED--The 5th day of July, A.D. 2012.

TOM CORBETT