

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 543 Session of
2007

INTRODUCED BY WATSON, REICHLEY, SCAVELLO, RUBLEY, BOYD,
CAPPELLI, CLYMER, DALEY, DePASQUALE, GEIST, GINGRICH,
HENNESSEY, KILLION, LEACH, McILHATTAN, NAILOR, PETRONE, RAPP,
STURLA, VITALI, R. MILLER, HERSHEY, SURRA, EVERETT AND DALLY,
MARCH 6, 2007

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
MARCH 6, 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
29 notes, exempting bonds and notes of the agency, the income
30 therefrom, and the income and revenues of the agency from

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

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

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

10 ARTICLE IV.-D

11 ENERGY-EFFICIENT HOME ASSISTANCE PROGRAM

12 Section 401-D. General Authority.--(a) (1) The agency
13 shall operate a pilot program for two (2) years commencing with
14 the effective date of this section, which program shall award
15 grants of up to five thousand (\$5,000) dollars to homebuyers to
16 offset closing costs or down payment assistance, including, but
17 not limited to, the mortgage rate buy-down, for homes that meet
18 the following criteria for energy efficiency or alternative
19 energy systems, or both.

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

23 (b) (1) Two thousand five hundred (\$2,500) dollars of a
24 grant issued under this article may be provided to the purchaser
25 of a home that exceeds the energy and water conservation
26 requirements set by the Statewide Uniform Construction Code and
27 achieves an Energy Star Label certified to by a Home Energy
28 Rating System rater.

29 (2) An additional grant amount of two thousand five hundred
30 (\$2,500) dollars may be provided to the purchaser of a home that
31 incorporates an alternative energy generating system in its

1 design. These systems include, but are not limited to,
2 photovoltaic solar energy systems, solar hot water heater
3 systems, wind turbine energy systems or passive solar energy
4 systems.

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

9 (c) The grant shall be a separate product attached to other
10 mortgage products to assist with offsetting the closing costs or
11 down payment assistance for the grant.

12 Section 402-D. Grant Repayment.--(a) A grant issued under
13 this article may not be required to be repaid to the agency if
14 the home is owned by the grantee for a minimum period of five
15 (5) years after the closing date on the home.

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

20 Section 403-D. Eligibility.--In order to be eligible for a
21 grant under this article:

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

23 (2) The home must be new construction with no prior
24 occupants.

25 (3) The maximum income of the grantee may not exceed one
26 hundred fifty (150) percent of Statewide median income.

27 Section 404-D. Participating Lenders.--The agency shall
28 offer the grant through participating lenders of the agency as
29 well as other independent lending institutions.

30 Section 405-D. Program Guidelines.--Within sixty (60) days

1 of the of the effective date of this section, the agency shall
2 adopt initial program guidelines for the implementation of this
3 article and may revise the guidelines whenever appropriate.

4 Section 406-D. Report to General Assembly.--The agency
5 shall, within sixty (60) days of the conclusion of the pilot
6 program, submit a written report to the General Assembly on the
7 implementation of the program.

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