

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1368 Session of
2011

INTRODUCED BY WATSON, PETRI, CALTAGIRONE, MILLER, BOYD, CLYMER,
CREIGHTON, GEIST, GINGRICH, HARKINS, HENNESSEY, JOSEPHS,
MURT, READSHAW, ROSS, SCAVELLO, SWANGER AND WAGNER,
APRIL 25, 2011

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
APRIL 25, 2011

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
31 taxation, except transfer, death and gift taxes; making such

1 bonds and notes legal investments for certain purposes; and
2 indicating how the act shall become effective," establishing
3 an energy-efficient home assistance program.

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

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

9 ARTICLE IV.-E

10 ENERGY-EFFICIENT HOME ASSISTANCE PROGRAM

11 Section 401-E. General Authority.--(a) The agency shall
12 operate a pilot program commencing with July 1 of the first
13 fiscal year in which an appropriation for the pilot program is
14 expressly provided for by act of the General Assembly. The pilot
15 program shall award grants of up to five thousand (\$5,000)
16 dollars to homebuyers to offset closing costs or down payment
17 assistance, including, but not limited to, the mortgage rate
18 buy-down, for homes that meet the following criteria for energy
19 efficiency or alternative energy systems, or both.

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

26 (2) An additional grant amount of two thousand five hundred
27 (\$2,500) dollars may be provided to the purchaser of a home that
28 incorporates an alternative energy generating system in its
29 design. These systems include, but are not limited to,
30 photovoltaic solar energy systems, solar hot water heater
31 systems, wind turbine energy systems, passive solar energy

1 systems or geothermal heat pump systems.

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

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

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

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

17 Section 403-E. Eligibility.--In order to be eligible for a
18 grant under this article:

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

20 (2) The home must be new construction with no prior
21 occupants.

22 (3) The maximum income of the grantee may not exceed one
23 hundred fifty (150) percent of Statewide median income for one-
24 member households or two hundred (200) percent of Statewide
25 median income for two or more member households.

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

29 Section 405-E. Program Guidelines.--Within sixty (60) days
30 of the of the effective date of this section, the agency shall

1 adopt initial program guidelines for the implementation of this
2 article and may revise the guidelines whenever appropriate.

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

8 (1) The number of new homebuyers assisted through this
9 program.

10 (2) The number and type of financial assistance provided,
11 including a breakdown of the grants issued pursuant to section
12 401-E(b)(1) and (2).

13 (3) The agency's overall assessment of the program and a
14 recommendation to continue the program, continue the program
15 with modifications or to discontinue the program.

16 Section 407-E. Continued Operation of Program.--The agency
17 shall not be required to continue issuing grants under the
18 program for any fiscal year in which no appropriation for the
19 program is expressly provided for by act of the General
20 Assembly.

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