
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2542 Session of
2012

INTRODUCED BY JAMES, BISHOP, BUXTON, CALTAGIRONE, DALEY, DAVIS,
GEORGE, JOSEPHS, PARKER, PAYTON, READSHAW, WATERS, WILLIAMS,
YOUNGBLOOD, MYERS, V. BROWN, KIRKLAND, THOMAS, BROWNLEE AND
WHEATLEY, JULY 2, 2012

REFERRED TO COMMITTEE ON COMMERCE, JULY 2, 2012

AN ACT

1 Allocating a percentage of the net proceeds from all unclaimed
2 funds from sheriffs' sales of residential real property to
3 the Pennsylvania Housing Finance Agency for the purpose of
4 assisting potential homebuyers with the financing and
5 purchase of homes at sheriffs' sales; and establishing the
6 Sheriffs' Sales Homeownership Assistance Fund and the
7 Sheriffs' Sales Homeownership Assistance Program.

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

10 Section 1. Short title.

11 This act shall be known and may be cited as the Sheriffs'
12 Sales Homeownership Assistance Act.

13 Section 2. Declaration of purpose.

14 The General Assembly declares the following to be the
15 purposes of this act:

16 (1) To assist potential homeowners with the financing,
17 purchase and improvement of a home.

18 (2) To recognize that homeownership is a privilege which
19 should not be reserved solely for the wealthy but should be

1 available to working and middle class families who seek the
2 joy and comfort which come with homeownership.

3 (3) To enhance the programs of the Pennsylvania Housing
4 Finance Agency which include assisting families with the
5 purchase of homes.

6 Section 3. Definitions.

7 The following words and phrases when used in this act shall
8 have the meanings given to them in this section unless the
9 context clearly indicates otherwise:

10 "Agency." The Pennsylvania Housing Finance Agency of the
11 Commonwealth.

12 "Fund." The Sheriffs' Sales Homeownership Assistance Fund
13 established in section 4.

14 "Program." The Sheriffs' Sales Homeownership Assistance
15 Program.

16 "Unclaimed funds." Funds acquired by a sheriff's sale of
17 residential real property within this Commonwealth exceeding
18 outstanding debt which is left unclaimed by the owner and that
19 revert to the General Fund in accordance with Article XIII.1 of
20 the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal
21 Code.

22 Section 4. Sheriffs' Sales Homeownership Assistance Fund.

23 Fifty percent of all unclaimed funds shall be deposited in
24 the Sheriffs' Sales Homeownership Assistance Fund, which is
25 hereby established as a separate fund in the State Treasury. The
26 moneys of the fund shall be used by the agency for the purpose
27 of assisting potential sheriffs' sale owner-occupied homebuyers
28 with the financing, purchase and improvement of a home.

29 Section 5. Sheriffs' Sales Homeownership Program.

30 The agency shall use moneys in the fund for the Sheriffs'

1 Sales Homeownership Program, which is hereby established. The
2 program will consist of loan guarantees or other credit
3 enhancement offered by the agency for the purpose of assisting
4 families in this Commonwealth with the purchase and improvement
5 of homes sold at sheriffs' sales. The agency may make advances
6 or provide other means of guaranteed payment from the fund to
7 qualified lenders for the purpose of guaranteeing, endorsing or
8 acting as surety on mortgages and home improvement loans on such
9 terms and conditions and according to regulations the agency
10 shall prescribe consistent with the purposes of this act.

11 Section 6. Rules and procedures.

12 (a) Regulations.--The agency shall promulgate regulations to
13 govern and administer mortgage and home improvement loan
14 guarantees, credit enhancement or home improvement loans from
15 the fund to qualified low-income or moderate-income buyers for
16 the purchase of owner-occupied residential housing at sheriffs'
17 sales or the improvement of owner-occupied residential real
18 property purchased at sheriffs' sales.

19 (b) Distribution of funds.--The agency shall distribute the
20 moneys in the fund in direct proportion to the county of their
21 origin.

22 (c) Mortgage guarantees.--Mortgage guarantees administered
23 under the auspices of the program may not exceed the lesser of
24 actual purchase price or appraised value of the real property.

25 (d) Home improvement loans and loan guarantees.--

26 (1) Home improvement loans and loan guarantees
27 administered under the program shall be used solely for
28 improvements designed to assure compliance with United States
29 Federal Housing Administration standards for safe dwellings
30 or similar regulations promulgated by the agency.

1 (2) Necessary improvements shall be determined through
2 the inspection of the applicable residence by an inspector
3 qualified by the agency to perform such inspections.

4 (e) Other agency programs.--The agency shall attempt, to the
5 fullest extent possible, to integrate the program with its other
6 homeownership programs to enhance the success of all
7 homeownership efforts.

8 (f) Administrative expense.--Investment and interest
9 earnings on moneys in the fund may be used by the agency to
10 cover the administrative costs of the program.

11 Section 7. Applicability.

12 This act shall apply to sheriffs' sales of residential real
13 property conducted on or after July 1 of the calendar year
14 following the effective date of this act.

15 Section 20. Effective date.

16 This act shall take effect in 60 days.