

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2570 Session of 2020

INTRODUCED BY A. DAVIS, HILL-EVANS, CEPHAS, KINSEY, PASHINSKI, DERMODY, GALLOWAY, CALTAGIRONE, McNEILL, DELLOSO, DeLUCA, YOUNGBLOOD, McCLINTON, GAINNEY, SANCHEZ, KORTZ, DRISCOLL, MALAGARI, WEBSTER, SCHWEYER, CIRESI, KIRKLAND, FIEDLER, KULIK, KOSIEROWSKI, OTTEN, KENYATTA, BURGOS, ROZZI, HARRIS, KRUEGER, LEE, SCHLOSSBERG, ROEBUCK AND DEASY, JUNE 15, 2020

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JUNE 15, 2020

AN ACT

1 Amending the act of December 3, 1959 (P.L.1688, No.621),
 2 entitled "An act to promote the health, safety and welfare of
 3 the people of the Commonwealth by broadening the market for
 4 housing for persons and families of low and moderate income
 5 and alleviating shortages thereof, and by assisting in the
 6 provision of housing for elderly persons through the creation
 7 of the Pennsylvania Housing Finance Agency as a public
 8 corporation and government instrumentality; providing for the
 9 organization, membership and administration of the agency,
 10 prescribing its general powers and duties and the manner in
 11 which its funds are kept and audited, empowering the agency
 12 to make housing loans to qualified mortgagors upon the
 13 security of insured and uninsured mortgages, defining
 14 qualified mortgagors and providing for priorities among
 15 tenants in certain instances, prescribing interest rates and
 16 other terms of housing loans, permitting the agency to
 17 acquire real or personal property, permitting the agency to
 18 make agreements with financial institutions and Federal
 19 agencies, providing for the purchase by persons of low and
 20 moderate income of housing units, and approving the sale of
 21 housing units, permitting the agency to sell housing loans,
 22 providing for the promulgation of regulations and forms by
 23 the agency, prescribing penalties for furnishing false
 24 information, empowering the agency to borrow money upon its
 25 own credit by the issuance and sale of bonds and notes and by
 26 giving security therefor, permitting the refunding,
 27 redemption and purchase of such obligations by the agency,
 28 prescribing remedies of holders of such bonds and notes,
 29 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," in
4 Pennsylvania Housing Affordability and Rehabilitation
5 Enhancement Program, providing for the COVID-19 Emergency
6 Rental Assistance Grant Program.

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

9 Section 1. Article VI-D of the act of December 3, 1959
10 (P.L.1688, No.621), known as the Housing Finance Agency Law, is
11 amended to by adding a section read:

12 Section 408-D. COVID-19 Emergency Rental Assistance Grant
13 Program.

14 (a) Purposes.--The agency shall establish a program to
15 ensure that:

16 (1) Eligible low-income tenants can remain in their
17 dwellings while their wages are either lost or reduced
18 because of the COVID-19 pandemic between March 1, 2020, and
19 December 30, 2020.

20 (2) Residential rental property owners can continue
21 receiving a monthly rent payment to avoid costly tenant
22 evictions and continue property maintenance and avoid
23 foreclosure of their properties.

24 (b) Establishment.--The agency shall establish a program
25 that provides funding, in the form of a block grant, to a single
26 applicant, designated by each respective county, that has a
27 prior record of managing a rental assistance fund. Each single
28 applicant shall utilize the grant to aid owners of residential
29 rental properties that have lost rental income because of the
30 COVID-19 emergency.

31 (c) Caps.--Assistance to residential rental property owners
32 shall be capped at 150% of fair market rent.

33 (d) Eligibility.--To receive assistance under this section,

1 the owner of a residential rental property must adhere to the
2 following requirements:

3 (1) Agree to not evict prior to December 30, 2020, a
4 tenant who occupies a rental property for which the owner
5 seeks reimbursement for lost rental income.

6 (2) Agree to not increase the rent of the tenant prior
7 to December 30, 2020.

8 (3) Agree to keep the rental unit of the tenant in good
9 condition and in compliance with applicable municipal
10 property codes.

11 (e) COVID-19 Emergency Rental Assistance Account.--

12 (1) The COVID-19 Emergency Rental Assistance Account is
13 established as a restricted account in the Pennsylvania
14 Housing Affordability and Rehabilitation Enhancement Fund.
15 The money in the account is hereby appropriated to the agency
16 on a continuing basis for the purposes specified in this
17 section.

18 (2) Money in the account shall be expended only for
19 relief due to reduced rental income because of the COVID-19
20 pandemic between March 1, 2020, and December 30, 2020.

21 (3) All unrestricted Federal emergency assistance
22 funding provided to this Commonwealth that may be
23 appropriated for such purposes, and all other money
24 appropriated, credited or transferred to the account from any
25 other fund or source by law shall be retained in and become
26 part of the account.

27 (4) The account shall be used by the agency exclusively
28 for the purpose of issuing grants under this section.

29 (f) Construction.--Nothing in this section shall be
30 construed to prevent the Commonwealth from soliciting and

1 receiving grants, gifts or bequests for the account and
2 depositing them into the account according to law.

3 (g) Guidelines.--The agency shall establish rules and
4 guidelines to carry out the provisions of this section in an
5 expeditious manner.

6 Section 2. This act shall take effect immediately.