
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1290 Session of
2020

INTRODUCED BY HAYWOOD, HUGHES, MUTH, FARNESE AND FONTANA,
SEPTEMBER 8, 2020

REFERRED TO URBAN AFFAIRS AND HOUSING, SEPTEMBER 8, 2020

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled
2 "An act relating to the finances of the State government;
3 providing for cancer control, prevention and research, for
4 ambulatory surgical center data collection, for the Joint
5 Underwriting Association, for entertainment business
6 financial management firms, for private dam financial
7 assurance and for reinstatement of item vetoes; providing for
8 the settlement, assessment, collection, and lien of taxes,
9 bonus, and all other accounts due the Commonwealth, the
10 collection and recovery of fees and other money or property
11 due or belonging to the Commonwealth, or any agency thereof,
12 including escheated property and the proceeds of its sale,
13 the custody and disbursement or other disposition of funds
14 and securities belonging to or in the possession of the
15 Commonwealth, and the settlement of claims against the
16 Commonwealth, the resettlement of accounts and appeals to the
17 courts, refunds of moneys erroneously paid to the
18 Commonwealth, auditing the accounts of the Commonwealth and
19 all agencies thereof, of all public officers collecting
20 moneys payable to the Commonwealth, or any agency thereof,
21 and all receipts of appropriations from the Commonwealth,
22 authorizing the Commonwealth to issue tax anticipation notes
23 to defray current expenses, implementing the provisions of
24 section 7(a) of Article VIII of the Constitution of
25 Pennsylvania authorizing and restricting the incurring of
26 certain debt and imposing penalties; affecting every
27 department, board, commission, and officer of the State
28 government, every political subdivision of the State, and
29 certain officers of such subdivisions, every person,
30 association, and corporation required to pay, assess, or
31 collect taxes, or to make returns or reports under the laws
32 imposing taxes for State purposes, or to pay license fees or
33 other moneys to the Commonwealth, or any agency thereof,
34 every State depository and every debtor or creditor of the

1 Commonwealth," in emergency COVID-19 response, further
2 providing for definitions relating to Pennsylvania Housing
3 Finance Agency and for mortgage and rental assistance
4 program.

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

7 Section 1. The definition of "eligible landlord" in section
8 190-C of the act of April 9, 1929 (P.L.343, No.176), known as
9 The Fiscal Code, added May 29, 2020 (P.L.186, No.241), is
10 amended and the section is amended by adding a definition to
11 read:

12 Section 190-C. Definitions.

13 The following words and phrases when used in this subarticle
14 shall have the meanings given to them in this section unless the
15 context clearly indicates otherwise:

16 * * *

17 "Eligible landlord." An individual or entity owning a place
18 of residence that leases the residence to an individual and that
19 experienced a loss of rental income because the lessee became
20 unemployed after March 1, 2020, or the lessee had their annual
21 household income reduced by 30% or more due to reduced work
22 hours and wages related to COVID-19. [The loss of rental income
23 must be at least 30 days past due.]

24 * * *

25 "Program." The COVID-19 Relief - Mortgage and Rental
26 Assistance Grant Program established under section 191-C(a).

27 Section 2. Section 191-C(f) and (g) of the act, added May
28 29, 2020 (P.L.186, No.241), are amended to read:

29 Section 191-C. Mortgage and Rental Assistance Program.

30 * * *

31 (f) [(Reserved).] Administrative fee.--To cover costs
32 associated with the administration of the program, the agency

1 may utilize an amount not to exceed the lesser of 5% of the
2 money appropriated for COVID-19 Relief - Mortgage and Rental
3 Assistance or the actual costs of administering the program.

4 (g) Program requirements.--The following shall apply:

5 (1) An eligible lessee, mortgagor, landlord or mortgagee
6 shall submit to the agency the name of the lessee or
7 mortgagor from whom rental or mortgage payments are sought,
8 along with any additional information deemed necessary by the
9 agency to carry out the agency's responsibilities under this
10 section.

11 (2) Assistance may be awarded to lessors or mortgagees
12 on behalf of lessees or mortgagors who became unemployed
13 after March 1, 2020, or had their annual household income
14 reduced by 30% or more due to reduced work hours and wages
15 related to COVID-19.

16 (3) The agency shall develop an application for eligible
17 lessees, mortgagors, landlords or mortgagees to apply for
18 assistance under this section within 30 days of the effective
19 date of this section. The application shall include an
20 attestation by the landlord or mortgagee releasing the lessee
21 or mortgagor of any [remaining obligation] fees or penalties
22 for any past due or future rent or mortgage payment for which
23 the agency pays the landlord or mortgagee. The application
24 shall be made available and posted on the agency's publicly
25 accessible Internet website and be in a form that can be
26 completed and returned by the lessee, mortgagor, landlord or
27 mortgagee electronically or through the United States mail.
28 The deadline for submitting applications to the agency shall
29 be [September 30,] October 31, 2020.

30 (4) The agency shall verify the name of the lessee or

1 mortgagor with the Department of Labor and Industry's Bureau
2 of Unemployment Compensation to ensure the lessee or
3 mortgagor became unemployed after March 1, 2020.

4 (5) The agency shall require any applicant seeking
5 assistance based on reduced work hours or wages related to
6 the coronavirus pandemic to submit information verifying such
7 information.

8 (6) The agency shall make payments only to lessors or
9 mortgagees.

10 (7) The agency shall make payments only on behalf of
11 households with an annualized current income of no more than
12 the upper limit of "median income" as defined in guidelines
13 published annually by the United States Department of Housing
14 and Urban Development.

15 (8) The agency shall notify each lessee or mortgagor of
16 the amount of payment made to the landlord or mortgagee on
17 the lessee's or mortgagor's behalf.

18 (9) The agency shall make payments as follows:

19 (i) For rental assistance, an amount equal to 100%
20 of the lessee's monthly rent, not to exceed [\$750 per
21 month,] 130% of the fiscal year 2020 fair market rent for
22 a two-bedroom unit in the local area for Pennsylvania as
23 determined by the United States Department of Housing and
24 Urban Development, for each month for which assistance is
25 sought for a maximum of six months. Payments shall be
26 made no later than November 30, 2020.

27 (ii) For mortgage assistance, an amount equal to
28 100% of the mortgagor's monthly mortgage, not to exceed
29 [\$1,000] \$1,500 per month, for each month for which
30 assistance is sought for a maximum of six months.

1 Payments shall be made no later than November 30, 2020.

2 (iii) In addition to any payment under subparagraph
3 (i), a landlord who agrees to release the lessee of any
4 remaining obligation for past due or future rent for all
5 the months that the agency pays the landlord shall be
6 entitled to an additional payment for each month equal to
7 25% of the outstanding balance, not to exceed the
8 remaining monthly rent or \$600, whichever is less. If the
9 total rent is covered by the payment under subparagraph
10 (i), a landlord shall not be eligible for an additional
11 payment under this subparagraph.

12 (iv) In addition to any payment under subparagraph
13 (ii), a mortgagee who agrees to release the mortgagor of
14 any remaining obligation for past due or future mortgage
15 payment for all the months that the agency pays the
16 mortgagee shall be entitled to an additional payment for
17 each month equal to 25% of the outstanding balance, not
18 to exceed the remaining monthly mortgage amount or \$600,
19 whichever is less. If the total mortgage payment is
20 covered by the payment under subparagraph (ii), a
21 mortgagee shall not be eligible for an additional payment
22 under this subparagraph.

23 (10) Notwithstanding any other provision of law, the
24 following shall apply:

25 (i) A landlord who receives payments for a lessee
26 under the program shall be required to offer the lessee a
27 repayment plan for any rent obligation outstanding after
28 payments received from the program are applied to the
29 lessee's rent obligation. The repayment plan may not
30 include any late fees or interest for the months in which

1 rental assistance was provided through the program. A
2 repayment plan under this subparagraph may not be shorter
3 than 12 months or the number of months outstanding on a
4 lessee's lease. If a lessee is renting under a month-to-
5 month lease, the repayment plan term may not be shorter
6 than 12 months.

7 (ii) A mortgagee who receives payments for a
8 mortgagor under the program that are not sufficient to
9 cure any outstanding obligation after payments received
10 from the program are applied to the mortgagor's mortgage
11 account shall assess the mortgagor's eligibility for
12 possible loss mitigation options, as may be available
13 under applicable investor or insurer guidelines.

14 * * *

15 Section 3. This act shall take effect immediately.