
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1281 Session of
2022

INTRODUCED BY ARGALL, FONTANA, SCAVELLO, YUDICHAK, BREWSTER,
COSTA AND CAPPELLETTI, JUNE 15, 2022

REFERRED TO URBAN AFFAIRS AND HOUSING, JUNE 15, 2022

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, providing for
2 Development Cost Relief Program.

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

5 Section 1. The act of April 9, 1929 (P.L.343, No.176), known
6 as The Fiscal Code, is amended by adding a section to read:

7 Section 195-C. Development Cost Relief Program.

8 (a) Establishment.--The Development Cost Relief Program is
9 established in the agency to support the production of
10 developments by addressing financial deficiencies attributable
11 to the effects of the COVID-19 pandemic and other economic
12 factors.

13 (b) Eligibility.--A development which meets all of the
14 following criteria shall be eligible for an award under this
15 section:

16 (1) Has applied for, or has received a conditional or
17 full allocation from the agency of, low-income housing tax
18 credits under section 42 of the Internal Revenue Code of 1986
19 (Public Law 99-514, 26 U.S.C. § 42) during the 2019, 2020,
20 2021 or 2022 application cycles.

21 (2) Has not, as of the effective date of this section,
22 received a certificate of occupancy for each unit within the
23 development.

24 (3) Has experienced cost increases, or a loss in equity
25 investment, as the result of conditions arising from or
26 related to the effects of the COVID-19 pandemic, which in the
27 judgment of the agency necessitates the provision of
28 additional funding to complete the development.

29 (c) Application.--The agency shall make available to an
30 eligible development an application that requires information,
31 as determined necessary by the agency, to verify the need of the

1 development and to determine the extent to which funding should
2 be awarded, while ensuring that the development remains in
3 compliance with the low-income housing tax credit program.

4 (d) Determination.--A determination shall be made in
5 accordance with the following:

6 (1) Upon a determination of eligibility for money
7 allocated under this section, the agency shall provide the
8 development with a letter of commitment indicating the
9 conditional award amount.

10 (2) The agency shall use the same closing process and
11 terms for an award of money from the fund as is used for an
12 award from the Pennsylvania housing affordability and
13 rehabilitation enhancement program for a low-income housing
14 tax credit recipient development.

15 (e) Limitation.--Money provided for the program under this
16 section may not be used to supplant other agency-committed
17 resources except if the development risks noncompliance with the
18 low-income housing tax credit program. Projects which have
19 received or have been approved by the agency for construction
20 cost relief funding under section 194-C may receive additional
21 funding under the Development Cost Relief Program.

22 (f) Definitions.--As used in this section, the following
23 words and phrases shall have the meanings given to them in this
24 subsection unless the context clearly indicates otherwise:

25 "Agency." The Pennsylvania Housing Finance Agency.

26 "Development." An affordable multifamily rental development.

27 Section 2. The provisions of this act may not affect the
28 award or use of any funds provided to any development under
29 section 194-C of the act. Any amounts which have not been
30 awarded by the agency under section 194-C of the act shall be

1 available for award under section 195-C of the act in addition
2 to any amounts made available under section 3 of this act with
3 respect to the act of _____, 2022 (P.L. _____, No. _____), known as
4 the General Appropriation Act of 2022.

5 Section 3. From the money received by the Commonwealth from
6 the Federal Government under the American Rescue Plan Act of
7 2021 (Public Law 117-2, 135 Stat. 4), the sum of \$100,000,000 is
8 appropriated to the agency for the purposes of making awards
9 under the Development Cost Relief Program.

10 Section 4. This act shall take effect July 1, 2022, or
11 immediately, whichever is later.