THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 2617 Session of 2022

INTRODUCED BY INNAMORATO, KRAJEWSKI, R. BROWN, HARRIS, STURLA, CEPHAS, N. NELSON, ROZZI, HOHENSTEIN, MERSKI, SCHLOSSBERG, HARKINS, HILL-EVANS, PISCIOTTANO, BENHAM, KULIK, SOLOMON, SANCHEZ, LEE, OTTEN, SCHWEYER, MADDEN, FIEDLER, DEASY, GUZMAN, BULLOCK, DRISCOLL, KINSEY, McCLINTON, BIZZARRO, COVINGTON, KIRKLAND, SIMS, DELLOSO, KINKEAD, ABNEY, SHUSTERMAN, WEBSTER, SAPPEY, DALEY, KIM, ISAACSON AND BRADFORD, MAY 27, 2022

REFERRED TO COMMITTEE ON URBAN AFFAIRS, MAY 27, 2022

AN ACT

Providing for funding to address habitability concerns in owner occupied and rental units, measures to improve energy or
 water efficiency and make units accessible for individuals
 with disabilities; establishing the Whole-Home Repairs
 Program and the Whole-Home Repairs Fund; and imposing duties
 on the Department of Community and Economic Development.

7 The General Assembly of the Commonwealth of Pennsylvania

8 hereby enacts as follows:

9 Section 1. Short title.

10 This act shall be known and may be cited as the Whole-Home

11 Repairs Act.

12 Section 2. Definitions.

13 The following words and phrases when used in this act shall

14 have the meanings given to them in this section unless the

15 context clearly indicates otherwise:

16 "Affordable units." Units where rents are affordable to 17 tenants at or below 60% of area median income, adjusted for household size, as defined annually by the Pennsylvania Housing
 Finance Agency's PennHOMES County-wide Limits.

3 "Code." A building, housing, property maintenance, fire,
4 health or other public safety ordinance, related to the use or
5 maintenance of real property, enacted by a municipality. The
6 term does not include a subdivision and land development
7 ordinance or a zoning ordinance enacted by a municipality.
8 "County applicant." A nonprofit or governmental entity that
9 serves one or more counties.

10 "Court." The appropriate court of common pleas.

11 "Department." The Department of Community and Economic12 Development of the Commonwealth.

13 "Disabilities." As the term "handicap or disability" is 14 defined in section 4 of the act of October 27, 1955 (P.L.744, 15 No.222), known as the Pennsylvania Human Relations Act.

16 "Existing home repair programs." Programs administered by 17 nonprofit organizations, governmental entities and public 18 utilities, or the contractors and assignees of such entities, 19 that provide services to repair residential housing that are 20 funded in accordance with or through, but not exclusively 21 limited to, the following programs:

(1) The weatherization assistance programs administered
as a part of the programs authorized under the Low-Income
Home Energy Assistance Act of 1981 (Public Law 97-35, 42
U.S.C. § 8621 et seq.) or the Energy Conservation in Existing
Buildings Act of 1976 (Public Law 94-385, 42 U.S.C. § 6851 et
seq.).

(2) The Community Development Block Grant Program under
Title I of the Housing and Community Development Act of 1974
(Public Law 93-383, 88 Stat. 633), as amended.

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(3) The HOME program under the act of December 18, 1992
 (P.L.1376, No.172), known as the Pennsylvania Affordable
 Housing Act.

4 (4) The Medical Assistance Community HealthChoices
5 Program.

6 (5) The Pennsylvania Housing Affordability and
7 Rehabilitation Enhancement Program under Article IV-D of the
8 act of December 3, 1959 (P.L.1688, No.621), known as the
9 Housing Finance Agency Law.

10 (6) The Keystone Communities Program administered by the11 department.

12 (7) Low-income usage reduction programs established
13 under 52 Pa. Code Ch. 58 (relating to residential low income
14 usage reduction programs).

(8) The Energy Efficiency and Conservation Program
established under 66 Pa.C.S. § 2806.1(b)(1)(i)(G) (relating
to energy efficiency and conservation program).

18 "Fund." The Whole-Home Repairs Fund established under 19 section 5.

20 "Habitability concerns." Home repairs that are required to 21 ensure residential units are any of the following:

22 (1) Fit for human habitation.

23 (2) Free from defective conditions or health and safety
24 hazards, including asbestos, mold, pests or lead.

(3) Free of conditions preventing installation of
 measures to improve energy or water efficiency and lower
 utility costs.

28 "Homeowner." A person who is any of the following:

29 (1) An owner of record evidenced by a publicly recorded30 deed.

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(2) An owner-occupant of a manufactured home who leases
 a space in a manufactured home community.

3 (3) An equitable owner who can demonstrate an ownership
4 interest in a property as provided by law, including:

5 (i) A person who has inherited an interest in a6 property.

7 (ii) A person who has entered a contract to purchase
8 a property.

9 (iii) A person who was the owner of record before a
10 fraudulent conveyance of the property.

(iv) A person who is a trust beneficiary and a person holding a partial ownership interest in a property such as tenancy by the entirety, joint tenancy, tenancy in common and life estate.

15 "Program." The Whole-Home Repairs Program established under 16 section 3.

17 "Serious violation." A violation of a State law or code that 18 poses an imminent threat to the health and safety of a dwelling 19 occupant, occupants in surrounding structures or passersby.

20 "Small landlords." A person, who is a landlord, who has an 21 ownership stake in no more than five properties and no more than 22 15 rental units and rents those properties or units for use as a 23 primary residence for a fee, regardless of the length or form of 24 the lease.

25 "State law." A statute of the Commonwealth or a regulation 26 of an agency charged with the administration and enforcement of 27 Commonwealth laws.

28 "Substantial step." An affirmative action as determined by a 29 property code official or officer of the court on the part of a 30 small landlord or property managing agent to remedy a serious

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violation of a State law or code, including physical
 improvements or repairs to the property, which affirmative
 action is subject to appeal in accordance with applicable law.
 Section 3. Establishment.

5 The Whole-Home Repairs Program is established within the
6 department and shall be administered by the department.
7 Section 4. Administration of program.

8 (a) Applications. -- The department shall make available an application for a county applicant to apply for funding under 9 10 the program. The application may be accepted electronically. 11 Awarding of grants. -- The department shall award grants (b) 12 to no more than one county applicant per county for project 13 types under subsection (c) to be used for purposes under 14 subsection (d). This subsection shall not be construed to 15 prohibit the department from awarding more than one grant to a 16 county applicant to serve multiple counties.

17 (c) Project types.--The program shall provide funding for18 the following:

19 (1) To ensure that owner-occupied and rental units are20 free of habitability concerns.

(2) To improve coordination across existing home repairprograms.

23 (3) To increase retention in workforce development24 programs.

25 (d) Purposes.--Money for projects under subsection (c) shall
26 be used for all of the following:

(1) Grants and loans not to exceed \$50,000 per unit to
address habitability concerns, to improve energy or water
efficiency, and, where requested, to make units accessible
for individuals with disabilities through the provision of:

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(i) Grants for homeowners whose household income
 does not exceed 80% of the area median income.

(ii) Loans to small landlords renting affordable
units that are recorded against a residential property in
a mortgage security. Loans awarded under this
subparagraph shall comply with the following conditions:

(A) Loans made to small landlords who have maintained compliance with each of the following shall be forgiven:

(I) The small landlord offered to extend by
three years the lease of the tenant occupying the
unit when the funds were accepted.

(II) Annual increases in monthly rent have
not exceeded 3% of the base rent or the unit has
been occupied by a tenant participating in the
Housing Choice Voucher Program for a period of no
less than 15 years.

18 (III) In the prior 15 years, the small 19 landlord has not committed a serious violation 20 with regard to the small landlord's rental 21 property for which the small landlord has taken 22 no substantial steps to correct the serious violation within six months following 23 24 notification of the serious violation and for 25 which no fines or other penalties or a judgment 26 to abate or correct were imposed by a magisterial 27 district judge or municipal court, nor a judgment 28 at law or in equity was imposed by a court. The 29 condition under this subclause may be met if the 30 property subject to the judgment, order or decree

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1 is subject to a stay or supersedeas by an order 2 of a court of competent jurisdiction or 3 automatically allowed by statute or rule of court until the stay or supersedeas is lifted by the 4 5 court or a higher court or the stay or supersedeas expires as otherwise provided by law. 6 7 Where a stay or supersedeas is in effect, the 8 small landlord shall so advise the county 9 applicant.

10(IV) The small landlord has maintained11ownership of the unit for a period of no less12than 15 years.

Loans made to small landlords who have not 13 (B) 14 maintained compliance with each of the conditions in 15 clause (A) shall be recaptured by county applicants. 16 Where possible, county applicants shall (iii) 17 prioritize the use of existing home repair programs' 18 funds to address habitability concerns, measures to 19 improve energy or water efficiency and, where requested, 20 to make units accessible for individuals with 21 disabilities.

(2) The county applicant's administration of the
program, including staff, implementation systems and data
management tools designed to maximize enrollment in all
existing home repair programs and use of the fund through the
provision and enhancement of all of the following:

27 (i) Technical assistance and case management
28 services for homeowners, renters and small landlords.
29 (ii) A universal program application process
30 evidenced by a single point of contact for homeowners,

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1 renters or small landlords.

2 (iii) Coordination across waitlists for existing
3 home repair programs.

4 (iv) Program and policy analysis, outcomes reporting
5 and program evaluation.

6 (v) Referrals, where appropriate, to legal aid, 7 social service providers specializing in mental, 8 developmental and physical health conditions, and other 9 relevant community-based services.

10 (3) The county applicant's investments in workforce 11 development programs that will connect trainees to jobs 12 through committed employer partnerships related to improving 13 the habitability and performance of homes, including any of 14 the following:

15

(i) Cash stipends for trainees.

16 (ii) Costs related to the design and implementation
17 of preapprenticeship, apprenticeship and publicly funded
18 on-the-job training programs.

19 (e) Limitation.--The following shall apply:

(1) Program funds shall not supplant existing resources
dedicated to existing home repair programs, but may be used
to support, expand and enhance existing home repair programs
as provided under this section.

(2) The department may not award funding to more than
one county applicant per county. This paragraph shall not be
construed to prohibit the department from awarding funding to
a county applicant to serve other counties.

28 Section 5. Whole-Home Repairs Fund.

29 (a) Establishment.--The Whole-Home Repairs Fund is30 established as a special fund in the State Treasury.

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(b) Contributions to the fund.--The following shall be
 deposited into the fund:

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(1) Appropriations from the General Assembly.

4 (2) Any allocations received by the Commonwealth from
5 the Federal Government made available for purposes of funding
6 the program.

7 (3) Any gift, donation, legacies or other revenues.
8 (c) Interest.--Any interest that accrues from money in the
9 fund shall remain in the fund.

10 (d) Use of funds.--Money in the fund is appropriated to the 11 department on a continuing basis to carry out the provisions of 12 this act. The appropriation shall not lapse at the end of any 13 fiscal year.

14 Section 6. Administration by the department.

15 (a) Costs.--The department shall be reimbursed by the fund 16 for its administrative costs in carrying out the provisions of 17 this act.

(b) Guidelines.--The department may develop and publish
program guidelines for the implementation and administration of
the program.

21 Section 7. Reports.

22 Department reporting. -- No later than September 1 (a) 23 following the first fiscal year or any portion of the first 24 fiscal year in which the program is in effect and no later than 25 September 1 for all succeeding fiscal years in which the program 26 is in effect, the department shall prepare a report on the program and submit it to the chairperson and minority 27 28 chairperson of the Appropriations Committee of the Senate, the 29 chairperson and minority chairperson of the Appropriations Committee of the House of Representatives, the chairperson and 30

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1 minority chairperson of the Urban Affairs and Housing Committee
2 of the Senate and the chairperson and minority chairperson of
3 the Urban Affairs Committee of the House of Representatives. The
4 department shall post the report on the department's publicly
5 accessible Internet website. The report shall include all of the
6 following information for the prior year:

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(1) On program funds utilized under section 4(d)(1):

8 (i) The total number of units, and the average cost 9 per unit, for which homeowners addressed habitability 10 concerns, installed energy efficiency measures and made 11 accessible for individuals with disabilities as a result 12 of program funds awarded under this act.

(ii) The total number of units, and the average cost per unit, for which small landlords addressed habitability concerns, installed energy efficiency measures and made accessible for individuals with disabilities as a result of program funds awarded under this act.

(iii) The total amount of program funds invested in
addressing habitability concerns, installing energy
efficiency measures and making units accessible for
individuals with disabilities.

23 (iv) The total number of grant and loan applications24 that were received, approved and denied.

(v) A summary of the most common reasons for denialof applications.

(vi) The income and demographic information forhouseholds assisted under the program.

29 (2) On program funds utilized under section 4(d)(2):
30 (i) A summary of the most common referrals as

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described under section 4(d)(2)(v).

2 (ii) The number of new staff hired to fulfill the
3 services described under section 4(d)(2).

4 (iii) A summary of systems improvements to fulfill
5 the services described under section 4(d)(2).

6 (3) On program funds utilized under section 4(d)(3):

7 (i) The total amount of program funds invested in
8 workforce development programs.

9 (ii) The total number and average amount of cash 10 stipends provided to trainees.

(iii) The income and demographic information for individuals assisted by funds utilized under section 4(d) (3).

(b) County reporting.--The department may require county applicants awarded grants under the program to submit reports, on a form and in a manner prescribed by the department, containing information necessary for the department to comply with subsection (a).

19 Section 8. Funding.

20 The department's implementation of the program shall be contingent upon sufficient program funds being deposited into 21 22 the fund in accordance with section 5 to carry out the purposes 23 of this act. In a year in which there are insufficient program 24 funds deposited into the fund for the purposes outlined in this 25 act, the program shall cease until sufficient Federal funds are 26 allocated to the Commonwealth, funds are specifically appropriated by the General Assembly or funds are provided by a 27 28 source other than the Commonwealth. 29 Section 9. Effective date.

29 Section 9. Effective date.

30 This act shall take effect in 180 days.

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