



SENATE OF PENNSYLVANIA BILL SUMMARY

Senate Bill 566 Printer's No. 539

Prime Sponsor: Senator Vogel & Senator Kitchen
Committee: Urban Affairs and Housing

SYNOPSIS:

An Act amending the act of December 3, 1959 (P.L.1688, No.621), known as the Housing Finance Agency Law, further providing for the Housing Affordability and Rehabilitation Enhancement Fund.

SUMMARY:

The Housing Trust Fund Act would provide funding for the statewide Housing Trust Fund (HTF) - PA Housing Affordability and Rehabilitation Enhancement Fund (PHARE).

Currently, PHARE's only revenue is from Act 13 Impact Fees and those monies may only be spent in Shale Counties. Revenues generated through impact fees provide resources for home repairs, new construction, rental assistance, home rehabilitation, and demolition. This legislation will expand funding to all counties including those that receive monies from Act 13.

This legislation will use revenue from the Realty Transfer Tax (RTT) to provide funding for the Housing Trust Fund. There will not be an increase in the RTT, nor will it pull revenue out of the General Fund. If the amount of RTT increases over the amount budgeted for the Fiscal Year 2014-15, 40 percent of the increase will go to the HTF and 60 percent will go to the General Fund. The HTF will be capped at \$25 million per year.

Effective Date: This act shall take effect in 90 days.

BILL HISTORY:

Previously introduced as Senate Bill 1380 of 2014

Prepared by: Ribic 2/26/2015