

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1645 Session of
2023

INTRODUCED BY PIELLI, MADDEN, BOROWSKI, KRAJEWSKI, STEELE,
SHUSTERMAN, SANCHEZ, SCHLOSSBERG, FREEMAN, CERRATO, HANBIDGE,
CIRESI, HILL-EVANS, SMITH-WADE-EL, CEPEDA-FREYTIZ AND HOWARD,
AUGUST 29, 2023

REFERRED TO COMMITTEE ON COMMERCE, AUGUST 29, 2023

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
31 taxation, except transfer, death and gift taxes; making such
32 bonds and notes legal investments for certain purposes; and

1 indicating how the act shall become effective," in
2 homeowner's emergency assistance, providing for foreclosure
3 notice.

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

6 Section 1. The act of December 3, 1959 (P.L.1688, No.621),
7 known as the Housing Finance Agency Law, is amended by adding a
8 section to read:

9 Section 413-C. Foreclosure Notice.--(a) The agency shall
10 develop a designation form to be used by an owner who is an
11 older adult or an incapacitated adult to assign a designated
12 individual to receive any notification regarding delinquent
13 mortgage payments and potential foreclosure on the owner's real
14 property.

15 (b) The designation form shall contain the following
16 information:

17 (1) The name of the owner.

18 (2) The date of birth of the owner.

19 (3) The telephone number, email address and other contact
20 information of the owner.

21 (4) The address of the owner's real property.

22 (5) The name of the owner's designated individual.

23 (6) The address, telephone number, email address and other
24 contact information of the owner's designated individual.

25 (7) The relationship of the designated individual to the
26 owner.

27 (c) The agency shall make the designation form, along with
28 any explanation, instructions or other information deemed
29 necessary by the agency, available through the following means:

30 (1) Posting the designation form and other information on
31 the publicly accessible Internet website of the agency.

1 (2) Distributing a physical copy of the designation form and
2 other information on an annual basis to each residential
3 mortgage lender upon request of the residential mortgage lender.

4 (3) Distributing a physical copy of the designation form and
5 other information on an annual basis to each area agency on
6 aging in this Commonwealth.

7 (d) An owner may complete a designation form and send the
8 designation form to the appropriate residential mortgage lender.

9 (e) A residential mortgage lender that receives a completed
10 designation form shall thereafter send notification regarding
11 delinquent mortgage payments and potential foreclosure on the
12 owner's real property to the designated individual specified in
13 the designation form.

14 (f) The following apply to notification regarding a
15 potential foreclosure of the owner's real property:

16 (1) Notification must first be made by mail to the
17 designated individual's address at least 90 days prior to the
18 foreclosure.

19 (2) Subsequent notification must be made by both email and
20 telephone not later than 60 days prior to the foreclosure.

21 (g) Rescission.--An owner who submitted a designation form
22 may rescind the assignment by providing written notice of the
23 rescission to the residential mortgage lender.

24 (h) This section shall not affect any authority granted in
25 accordance with 20 Pa.C.S. (relating to decedents, estates and
26 fiduciaries).

27 (i) The following words and phrases when used in this
28 section shall have the meanings given to them in this subsection
29 unless the context clearly indicates otherwise:

30 "Designated individual." Any of the following persons

1 designated by an owner who is an incapacitated adult or older
2 adult to receive notification regarding delinquent mortgage
3 payments and potential foreclosure on behalf of the owner
4 because the owner is unable or has limited ability to receive or
5 manage the delinquent mortgage payments and potential
6 foreclosure:

7 (1) A next of kin of the owner.

8 (2) An agent, guardian, trustee or other representative of
9 the owner under authority granted in accordance with 20 Pa.C.S.

10 "Designation form." The form developed by the agency in
11 accordance with subsection (a).

12 "Incapacitated adult." An individual who is 18 years of age
13 or older and:

14 (1) resides in a hospital, assisted living facility,
15 rehabilitation facility or other health care or treatment
16 facility; or

17 (2) has a serious health condition.

18 "Older adult." An individual who is 60 years of age or
19 older.

20 "Owner." As defined in section 102 of the act of July 7,
21 1947 (P.L.1368, No.542), known as the Real Estate Tax Sale Law.

22 "Residential mortgage lender." A person that lends money or
23 extends or grants credit and obtains a residential mortgage to
24 assure payment of the debt. The term includes the holder at any
25 time of a residential mortgage obligation.

26 Section 2. This act shall take effect in 60 days.