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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 275 Session of  
2025

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INTRODUCED BY POWELL, KHAN, SANCHEZ, HILL-EVANS, GIRAL, PROBST,  
SCHLOSSBERG AND CEPEDA-FREYTIZ, JANUARY 22, 2025

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REFERRED TO COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT,  
JANUARY 22, 2025

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AN ACT

1 Providing for grants to subsidize home ownership; establishing  
2 the Pennsylvania Affordable Homeownership Subsidy Program;  
3 imposing duties on the Department of Community and Economic  
4 Development; and providing for report to General Assembly.

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

7 Section 1. Short title.

8 This act shall be known and may be cited as the Pennsylvania  
9 Affordable Homeownership Subsidy Program Act.

10 Section 2. Definitions.

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

14 "Affordable unit." A housing unit for which the monthly  
15 mortgage payment does not exceed 28% of the gross monthly income  
16 of an eligible household.

17 "County applicant." A nonprofit entity, government entity or  
18 for-profit property developer that serves one or more counties.

1 "Department." The Department of Community and Economic  
2 Development of the Commonwealth.

3 "Eligible household." An individual or family that earns  
4 between 60% and 120% of the area median income as determined by  
5 the United States Department of Housing and Urban Development,  
6 adjusted for family size.

7 "Grant." A grant awarded under section 3(c).

8 "Program." The Pennsylvania Affordable Homeownership Subsidy  
9 Program established under section 3(a).

10 Section 3. Pennsylvania Affordable Homeownership Subsidy  
11 Program.

12 (a) Establishment.--The Pennsylvania Affordable  
13 Homeownership Subsidy Program is established within the  
14 department for the purpose of subsidizing affordable  
15 homeownership for households with annual household incomes  
16 between 60% and 120% of the area median income in accordance  
17 with this section.

18 (b) Application process.--The department shall establish an  
19 application process for the distribution of grants to be awarded  
20 under subsection (c) no later than 90 days after the effective  
21 date of this section.

22 (c) Grants.--

23 (1) The department shall award grants to no more than  
24 one county applicant for project types under subsection (d).

25 (2) A grant awarded under paragraph (1) shall be no more  
26 than \$125,000.

27 (3) This subsection shall not be construed to:

28 (i) prohibit the department from awarding more than  
29 one grant to a county applicant to serve multiple  
30 counties; or

1 (ii) limit how much funding an applicant may  
2 receive.

3 (d) Homeownership affordability project types.--The program  
4 shall provide grants for the following project types:

5 (1) Acquisition of properties suitable to serve as  
6 affordable units.

7 (2) Design, architecture and engineering services  
8 necessary for the development of affordable units.

9 (3) Homebuyer assistance programs to aid individuals and  
10 families in purchasing affordable units.

11 (4) Asset management and mapping to ensure efficient  
12 utilization of resources and effective oversight of  
13 subsidized properties.

14 (5) Social and environmental impact studies to assess  
15 the broader implications of affordable housing initiatives.

16 (6) Homeownership education programs to provide  
17 prospective homeowners with necessary knowledge and skills  
18 for successful homeownership.

19 (7) Home repair programs to address maintenance and  
20 repair needs of affordable housing units.

21 (8) Workforce housing programs to address the housing  
22 needs of individuals and families within defined income  
23 specifications.

24 (9) Acquisition of property by a land trust, provided  
25 that a homeowner maintains at least 40% of the equity on the  
26 property.

27 Section 4. Administration by department.

28 (a) Administration and oversight.--

29 (1) The department shall be responsible for the  
30 administration and oversight of the program.

1           (2) Of the money appropriated for the program, the  
2 department may take an administrative fee of no more than 10%  
3 for direct costs associated with the administration of the  
4 program.

5           (b) Guidelines.--The department shall establish guidelines,  
6 procedures and criteria for the implementation and  
7 administration of the program, which the department shall  
8 publish on its publicly accessible Internet website.

9           (c) Collaboration.--The department may collaborate with  
10 other State agencies, local government entities, for-profit  
11 developers and nonprofit organizations to effectively implement  
12 the program.

13 Section 5. Reports.

14           (a) Department reporting.--No later than September 1  
15 following the first fiscal year or any portion of the first  
16 fiscal year in which the program is in effect and no later than  
17 September 1 for all succeeding fiscal years in which the program  
18 is in effect, the department shall prepare a report on program  
19 outcomes and submit the report to the following:

20               (1) The chairperson and minority chairperson of the  
21 Appropriations Committee of the Senate.

22               (2) The chairperson and minority chairperson of the  
23 Appropriations Committee of the House of Representatives.

24               (3) The chairperson and minority chairperson of the  
25 Urban Affairs and Housing Committee of the Senate.

26               (4) The chairperson and minority chairperson of the  
27 Housing and Community Development Committee of the House of  
28 Representatives.

29           (b) Publishing of report.--The department shall publish the  
30 report submitted under subsection (a) on the department's

1 publicly accessible Internet website.

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

7 Section 6. Funding.

8 The department's implementation of the program shall be  
9 contingent upon sufficient funding being appropriated or  
10 provided for the purpose of administering the program. In a year  
11 in which there is insufficient funding appropriated or provided  
12 for the administration of the program, the program shall be  
13 suspended until sufficient Federal or State money is  
14 appropriated by the General Assembly or other money is provided  
15 to the department for the program.

16 Section 7. Effective date.

17 This act shall take effect in 180 days.