



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR

August 24, 2020

Dear Members of the Senate of Pennsylvania:

As you may be aware, on May 7, 2020 I issued an Executive Order suspending notice provisions under the Landlord and Tenant Act of 1951 and the Manufactured Home Community Rights Act, effectively suspending evictions and foreclosures across the commonwealth in order to protect Pennsylvania renters and property owners affected by the COVID-19 pandemic. In July, I extended that initial Order through August 31st. Unfortunately, given my authority under the Emergency Services Management Code, an executive order further extending protections from foreclosure and eviction is not a viable option. Any further relief must be a product of the Legislature.

In addition, I wish to make you aware of a number of serious defects in Act 24 of 2020 that are preventing funding allocated by the General Assembly for assistance to renters and mortgage holders from achieving their intended purpose. In order to prevent serious negative consequences for Pennsylvania renters and homeowners, I urge the General Assembly to take action as soon as possible to both extend the moratorium and fix Act 24.

My May 7th Executive Order was issued pursuant to authority under the Emergency Services Code, 35 Pa. C.S. § 7302(a), which allows me to temporarily suspend or modify the requirements of statutes or regulations necessary to provide temporary housing for disaster victims. Pursuant to this authority, I suspended certain preconditions for foreclosure and eviction actions under the Loan Interest Protection Law, 41 P.S. § 101, et seq., the Homeowners Emergency Assistance Act, 35 P.S. § 1680.41, et seq., the Landlord and Tenant Act of 1951, 68 P.S. § 250.101, et seq., and the Manufactured Home Community Rights Act, 68 P.S. § 398.1 et seq. Unfortunately, the statutory language of Section 7302(a) contains a narrow limitation on the amount of time that suspensions may be exercised related to temporary housing, preventing me from further extending the moratorium beyond the end of this month.

The expiration of the moratorium would be less significant if the programs established to assist renters and homeowners in Act 24 were functioning as intended to provide payment assistance. Unfortunately, there are a number of provisions of the legislation that are creating significant administrative and programmatic challenges for the Pennsylvania Housing Finance Authority (PHFA), which is charged with administering the programs. In particular, the \$750 cap on assistance has proven too low for landlords to go through the process necessary to participate in the program. I have attached a letter from PHFA's Executive Director Robin Wiessmann further outlining the issues her agency believes must be addressed in order for the program to be successful.

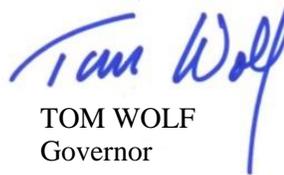
The General Assembly must act to fix these problems immediately to provide meaningful assistance to this vital sector of the economy and prevent the displacement of Pennsylvanians as we continue to fight the COVID-19 virus. The Legislature should raise the \$750 a month payment to at least 130% of HUD limits which would actually assist landlords in higher cost areas, lead to greater participation in the program and increase the number of tenants assisted. In addition, the program should allow participants

that need assistance to get rental assistance without being in arrears. Pennsylvanians should not have to forego food or medicine in order to remain current on rent and to be eligible for relief. Finally, landlords and tenants should be permitted to enter into repayment agreements for amounts not paid.

Without these urgently needed changes, payment assistance is not reaching residents who badly need it and these funds will ultimately be returned to the federal government at the end of the year. Upon the expiration of the moratorium at the end of the month, notices of eviction and foreclosure will again be able to be sent. This begins a process that takes time, but that ultimately concludes with our fellow Pennsylvanians being removed from their homes. I understand that members of the General Assembly have been working with affordable housing advocates and representatives of landlords on issues including forbearance flexibility, and I certainly hope that work continues. In the interim, I urge the General Assembly to act immediately to prevent evictions and foreclosures by passing legislation to temporarily extend the existing moratorium and fix the PHFA rent and mortgage programs so they can provide the assistance desperately needed to keep Pennsylvanians in their homes during this unprecedented time.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Tom Wolf". The signature is written in a cursive style with a long, sweeping tail on the letter "f".

TOM WOLF
Governor