## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

## No. 2185 Session of 2020

INTRODUCED BY SNYDER, HILL-EVANS, PASHINSKI, SCHLOSSBERG, JAMES, FREEMAN, NEILSON, KULIK, McNEILL, YOUNGBLOOD, HOWARD AND DeLUCA, JANUARY 10, 2020

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JANUARY 10, 2020

## AN ACT

- 1 Providing for the tax sale of abandoned properties.
- 2 The General Assembly of the Commonwealth of Pennsylvania
- 3 hereby enacts as follows:
- 4 Section 1. Short title.
- 5 This act shall be known and may be cited as the Abandoned
- 6 Property Tax Sale Act.
- 7 Section 2. Findings and declarations.
- 8 The General Assembly finds and declares as follows:
- 9 (1) Pennsylvania's older communities are vital to the
- 10 Commonwealth's economic health by providing a focal point for
- 11 businesses and services, and to the Commonwealth's quality of
- 12 life with their rich histories and diversity. However, many
- 13 older communities suffer from blighted properties that have
- 14 been abandoned by their owners.
- 15 (2) The residents of this Commonwealth are adversely
- 16 affected by abandoned, blighted and tax-delinquent
- 17 residential, commercial and industrial properties, including

- those residents who live or work in proximity to substandard buildings, as well as those who own property in the vicinity of the buildings.
  - (3) Abandoned, blighted and tax-delinquent residential, commercial and industrial structures pose a safety threat and public nuisance, and their blighting effect diminishes the value of nearby property.
  - (4) If these buildings are not demolished or rehabilitated and brought into code compliance, they are likely to remain abandoned and further deteriorate, resulting in increased cost to the Commonwealth, municipalities and taxpayers to secure and ultimately demolish these buildings.
- 13 (5) Properties sold at tax sale sometimes remain 14 blighted and become tax delinquent again.
  - (6) Providing a mechanism to remove or transform abandoned, blighted and tax-delinquent buildings into productive reuse is an opportunity for communities to modernize, revitalize and grow, and to improve both the local economy and the quality of life for neighbors.
  - (7) The General Assembly declares that it is in the best interests of the Commonwealth, municipalities and communities to establish a process, as provided under this act, for declaring properties abandoned and ensuring that the properties, when purchased at tax sale, will be demolished or rehabilitated and returned to productive use.
- 26 Section 3. Definitions.
- 27 The following words and phrases when used in this act shall
- 28 have the meanings given to them in this section unless the
- 29 context clearly indicates otherwise:
- 30 "Abandoned property."

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- 1 (1) A property on which there is a building that has not 2 been legally occupied for at least the previous 12 months and 3 of which the municipality finds at least one of the 4 following:
  - (i) The building is a public nuisance.
  - (ii) The building is in need of substantial rehabilitation, as defined in section 3 of the act of November 26, 2008 (P.L.1672, No.135), known as the Abandoned and Blighted Property Conservatorship Act, and no rehabilitation has taken place during the previous 12 months.
  - (iii) The building is unfit for human habitation, occupancy or use.
  - (iv) The condition and vacancy of the building materially increases the risk of fire to the building and to adjacent properties.
  - (v) The building is subject to unauthorized entry leading to potential health and safety hazards, and the owner has failed to take reasonable and necessary measures to secure the building or the municipality has secured the building in order to prevent the hazards after the owner has failed to do so.
  - (vi) The property is an attractive nuisance to children, including the presence of abandoned wells, shafts, basements, excavation and unsafe structures.
  - (vii) The presence of vermin or the accumulation of debris, uncut vegetation or physical deterioration of the structure or grounds has created potential health and safety hazards, and the owner has failed to take reasonable and necessary measures to remove the hazards.

- 1 (viii) The property is an attractive nuisance for
- 2 illicit purposes, including prostitution, drug use and
- 3 vagrancy.
- 4 (2) The term includes structures if the structures are
- 5 the only improvements on the property.
- 6 (3) The term does not include auxiliary structures that
- 7 are incidental to the main building on the property.
- 8 "Municipality." A city of the first class, second class,
- 9 second class A or third class, an incorporated town, a township
- 10 of the first class or second class or a borough.
- 11 "Public nuisance." A property that, because of physical
- 12 condition or use, is regarded as a public nuisance at common law
- 13 or has been declared a public nuisance in accordance with the
- 14 local housing, building, health, fire or related codes.
- 15 Section 4. Publication of notice and review by municipality.
- 16 (a) List.--At least 60 days prior to the date scheduled for
- 17 a tax sale, under the act of May 16, 1923 (P.L.207, No.153),
- 18 referred to as the Municipal Claim and Tax Lien Law, the act of
- 19 July 7, 1947 (P.L.1368, No.542), known as the Real Estate Tax
- 20 Sale Law, or the act of October 11, 1984 (P.L.876, No.171),
- 21 known as the Second Class City Treasurer's Sale and Collection
- 22 Act, the county where the property is located shall make public
- 23 a list of properties to be offered at the sale. The county shall
- 24 provide a copy of the list to the mayor, or comparable municipal
- 25 official, of a municipality where a property scheduled for sale
- 26 is located.
- 27 (b) Notification.--Within 30 days of receipt of the list
- 28 under subsection (a), the municipality shall notify the county
- 29 of any of the properties on the list under subsection (a) within
- 30 the municipality's jurisdiction that are abandoned properties.

- 1 (c) Sale.--No less than 15 days prior to the scheduled tax
- 2 sale, the county where the property is located shall make public
- 3 a revised list of properties to be offered for sale, indicating
- 4 the abandoned properties.
- 5 Section 5. Requirements for purchaser of abandoned properties.
- 6 (a) Informed purchase. -- Prior to a tax sale under the act of
- 7 May 16, 1923 (P.L.207, No.153), referred to as the Municipal
- 8 Claim and Tax Lien Law, the act of July 7, 1947 (P.L.1368,
- 9 No.542), known as the Real Estate Tax Sale Law, or the act of
- 10 October 11, 1984 (P.L.876, No.171), known as the Second Class
- 11 City Treasurer's Sale and Collection Act, for an abandoned
- 12 property, the county where the abandoned property is located
- 13 shall inform the purchaser of the requirements under this
- 14 section.
- 15 (b) Requirements. -- In addition to any other requirements of
- 16 the act of May 16, 1923 (P.L.207, No.153), referred to as the
- 17 Municipal Claim and Tax Lien Law, the act of July 7, 1947
- 18 (P.L.1368, No.542), known as the Real Estate Tax Sale Law, or
- 19 the act of October 11, 1984 (P.L.876, No.171), known as the
- 20 Second Class City Treasurer's Sale and Collection Act, the
- 21 purchaser of an abandoned property shall do all of the
- 22 following:
- 23 (1) Within 30 days of the sale and prior to the transfer
- 24 of title, enter into a redevelopment agreement with the
- 25 municipality where the property is located or, at the option
- of the municipality, with the redevelopment authority
- obligating the purchaser to redevelop or demolish the
- 28 property in accordance with all municipal codes and
- 29 officially adopted plans for the geographic area in which the
- 30 property is located. If the municipality or the redevelopment

- 1 authority determines that demolition of the building is
- 2 appropriate, the purchaser may demolish instead of
- 3 redeveloping the property. The redevelopment plan shall
- 4 include all of the following at a minimum:
- 5 (i) A specified time that the redevelopment or demolition must be completed.
- 7 (ii) A description of the redevelopment work or demolition to be completed.
- 9 (iii) Remedies for noncompliance, including the
  10 right of the municipality or redevelopment authority to
  11 acquire title to the property if the redevelopment or
  12 demolition is not completed by the agreed-upon date or to
  13 provide an extension for the redevelopment or demolition
  14 under reasonable circumstances.
- 15 (2) Within 30 days of the sale and prior to the transfer
  16 of title, post a bond to ensure compliance with the
  17 redevelopment agreement, naming the municipality or
  18 redevelopment authority as the beneficiary.
- 19 Section 6. Effective date.
- This act shall take effect in 90 days.