THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 936

Session of 2013

INTRODUCED BY EICHELBERGER, ERICKSON, BLAKE, ROBBINS AND WOZNIAK, MAY 31, 2013

REFERRED TO FINANCE, MAY 31, 2013

AN ACT

Amending the act of July 7, 1947 (P.L.1368, No.542), entitled, as amended, "An act amending, revising and consolidating the 2 laws relating to delinquent county, city, except of the first 3 and second class and second class A, borough, town, township, school district, except of the first class and school 5 districts within cities of the second class A, and 6 institution district taxes, providing when, how and upon what property, and to what extent liens shall be allowed for such 7 8 taxes, the return and entering of claims therefor; the 9 collection and adjudication of such claims, sales of real 10 property, including seated and unseated lands, subject to the 11 lien of such tax claims; the disposition of the proceeds 12 thereof, including State taxes and municipal claims recovered 13 and the redemption of property; providing for the discharge 14 15 and divestiture by certain tax sales of all estates in property and of mortgages and liens on such property, and the 16 proceedings therefor; creating a Tax Claim Bureau in each 17 county, except counties of the first and second class, to act 18 as agent for taxing districts; defining its powers and 19 20 duties, including sales of property, the management of property taken in sequestration, and the management, sale and 21 disposition of property heretofore sold to the county 22 23 commissioners, taxing districts and trustees at tax sales; providing a method for the service of process and notices; 24 imposing duties on taxing districts and their officers and on 25 tax collectors, and certain expenses on counties and for 26 their reimbursement by taxing districts; and repealing 27 existing laws," in sale of property, providing for additional 28 costs for rehabilitation and maintenance. 29

- 30 The General Assembly of the Commonwealth of Pennsylvania
- 31 hereby enacts as follows:

- 1 Section 1. The act of July 7, 1947 (P.L.1368, No.542), known
- 2 as the Real Estate Tax Sale Law, is amended by adding a section
- 3 to read:
- 4 <u>Section 612.3. Additional Costs for Rehabilitation and</u>
- 5 Maintenance. -- (a) Notwithstanding any limitations contained in
- 6 section 206, in the case of property exposed to upset sale and
- 7 not sold at upset sale, the bureau may incur, and may recover as
- 8 costs from proceeds prior to any distribution in any subsequent
- 9 sale to the extent authorized by this or any other act, the
- 10 following:
- 11 (1) Costs of rehabilitation and maintenance as may be, in
- 12 the sole discretion of the bureau, reasonably necessary to
- 13 <u>address safety issues or restore or maintain the property in a</u>
- 14 <u>salable condition</u>.
- 15 (2) Costs of rehabilitation and maintenance necessary to
- 16 <u>ensure the property is maintained in compliance with property</u>
- 17 maintenance codes.
- 18 (b) Nothing in this section shall be construed as creating
- 19 any affirmative duty on the part of the county or bureau to
- 20 <u>rehabilitate or maintain property or as imposing any liability</u>
- 21 on a county or bureau for injuries to persons or property that
- 22 may occur on property subject to rehabilitation and maintenance
- 23 under this section.
- 24 (c) Definitions. -- As used in this section, the following
- 25 words and phrases shall have the meanings given to them in this
- 26 subsection unless the context clearly indicates otherwise:
- 27 <u>"Costs of Rehabilitation," costs and expenses for</u>
- 28 construction, stabilization, rehabilitation, demolition and
- 29 <u>reasonable nonconstruction costs. The term includes</u>
- 30 environmental remediation, architectural, engineering and legal

- 1 fees, permits, financing fees and insurance costs. The term does
- 2 not include construction of new structures.
- 3 "Costs of Maintenance," costs and expenses for materials and
- 4 <u>services related to the upkeep or preservation of the condition</u>
- 5 of the property, including ordinary and necessary repairs.
- 6 "Property Maintenance Codes," municipal ordinances which
- 7 regulate the maintenance or development of real property. The
- 8 term includes building codes, housing codes and public safety
- 9 <u>codes.</u>
- 10 Section 2. This act shall take effect immediately.