

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1235 Session of
1997

INTRODUCED BY TRELLO, FARGO, C. WILLIAMS, MICOZZIE, FLICK,
HENNESSEY, BELARDI, LAUGHLIN, PESCI, BELFANTI, ITKIN, TIGUE,
OLASZ, JAROLIN, WALKO, SHANER, GIGLIOTTI, YOUNGBLOOD,
SCRIMENTI, STEELMAN AND RAMOS, APRIL 8, 1997

AS REPORTED FROM COMMITTEE ON COMMERCE AND ECONOMIC DEVELOPMENT,
HOUSE OF REPRESENTATIVES, AS AMENDED, DECEMBER 8, 1997

AN ACT

1 Amending the act of May 9, 1986 (P.L.165, No.53), entitled, "An
2 act requiring banks and other lending institutions to notify
3 the mortgagor when the mortgage has been paid," requiring
4 lending institutions holding mortgages for real estate to
5 forward certain real estate tax bills.

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

8 Section 1. Section 1 of the act of May 9, 1986 (P.L.165,
9 No.53), entitled, "An act requiring banks and other lending
10 institutions to notify the mortgagor when the mortgage has been
11 paid," is amended to read:

12 Section 1. Notice requirement.

13 (a) Written notification.--

14 (1) A bank, savings bank, savings and loan association
15 or other lending institution holding a residential mortgage
16 shall send written notification by first class mail to the
17 mortgagor when the mortgage has been fully paid. Any moneys
18 remaining in any escrow account established for the payment

1 of taxes or insurance premiums shall be returned within 30
2 days to the mortgagor.

3 (2) In the event that the institution which formerly
4 held the mortgage had held funds in escrow for the payment of
5 taxes or insurance premiums, the notice to the mortgagor
6 required by this section shall include a statement to the
7 effect that it shall thereafter be the responsibility of the
8 mortgagor to notify taxing authorities and insurance
9 administrators to redirect bills to the address specified by
10 the mortgagor. Additionally, the notice shall state in bold
11 or underline print, that failure to pay real estate taxes can
12 result in the property being sold at a tax sale.

13 (b) Forwarding of tax bill.--In the event that any bank,
14 savings bank, savings and loan association or other lending
15 institution receives a tax bill for any residential real
16 property on which it formerly held a mortgage within one year of
17 the date of the satisfaction of that mortgage and for which it
18 was required to comply with the provisions of subsection (a), it
19 shall forward the tax bills by first class mail, not more than
20 30 45 days after receipt of the bill to the last known address
21 of the property owner.

22 Section 2. This act shall take effect in 90 days.

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