

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 2120 Session of  
2014

INTRODUCED BY MASSER, JAMES, MICOZZIE, MILLARD, READSHAW,  
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MARCH 19, 2014

AS REPORTED FROM COMMITTEE ON URBAN AFFAIRS, HOUSE OF  
REPRESENTATIVES, AS AMENDED, JUNE 11, 2014

## AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania  
2 Consolidated Statutes, in neighborhood blight and reclamation  
3 and revitalization, further providing for legislative <--  
4 findings and purpose, for definitions, for actions, for asset <--  
5 attachment, for duty of out-of-State owners of property in  
6 this Commonwealth, AND for duty of association and trust <--  
7 owners, for municipal permit denial, for conflict with other <--  
8 law and for relief for inherited property.

9 The General Assembly of the Commonwealth of Pennsylvania  
10 hereby enacts as follows:

11 Section 1. Sections ~~6102, 6103 and 6111~~ 6103, 6112(B), 6113 <--  
12 AND 6114 of Title 53 of the Pennsylvania Consolidated Statutes  
13 are amended to read:

14 ~~§ 6102. Legislative findings and purpose.~~ <--

15 ~~The General Assembly finds and declares as follows:~~

16 ~~(1) There are deteriorated properties located in all~~  
17 ~~municipalities of this Commonwealth as a result of neglect by~~  
18 ~~their owners in violation of applicable State and municipal~~

1 ~~codes.~~

2 ~~(2) These deteriorated properties create public~~  
3 ~~nuisances which have an impact on crime and the quality of~~  
4 ~~life of our residents and require significant expenditures of~~  
5 ~~public funds in order to abate and correct the nuisances.~~

6 ~~(3) In order to address these situations, it is~~  
7 ~~appropriate to deny certain governmental permits and~~  
8 ~~approvals in order.~~

9 ~~(i) To [prohibit] prevent property owners from~~  
10 ~~further extending their financial commitments so as to~~  
11 ~~render themselves unable to abate or correct the code,~~  
12 ~~statutory and regulatory violations or tax delinquencies.~~

13 ~~(ii) To reduce the likelihood that other~~  
14 ~~municipalities will have to address the owners' neglect~~  
15 ~~and resulting deteriorated properties.~~

16 ~~(iii) To sanction the owners for not adhering to~~  
17 ~~their legal obligations to the Commonwealth and its~~  
18 ~~municipalities, as well as to tenants, adjoining property~~  
19 ~~owners and neighborhoods.~~

20 § 6103. Definitions.

21 The following words and phrases when used in this chapter  
22 shall have the meanings given to them in this section unless the  
23 context clearly indicates otherwise:

24 "AGENT." ANY DIRECTOR, OFFICER, SERVANT, EMPLOYEE OR OTHER <--  
25 PERSON AUTHORIZED TO ACT IN BEHALF OF A CORPORATION OR  
26 ASSOCIATION AND, IN THE CASE OF AN UNINCORPORATED ASSOCIATION, A  
27 MEMBER OF SUCH ASSOCIATION.

28 †"Building." A residential, commercial or industrial <--  
29 building or structure and the land appurtenant to it.

30 ["Code." A building, housing, property maintenance, fire, <--

1 health or other public safety ordinance enacted by a  
2 municipality. The term does not include a subdivision and land  
3 development ordinance or a zoning ordinance enacted by a  
4 municipality.] <--

5 "CORPORATION." THE TERM DOES NOT INCLUDE A MUNICIPAL  
6 AUTHORITY.

7 "Court." The appropriate court of common pleas.

8 "Mortgage lender." A business association defined as a  
9 "banking institution" or "mortgage lender" under 7 Pa.C.S. Ch.  
10 61 (relating to mortgage loan industry licensing and consumer  
11 protection) that is in possession of or holds title to real  
12 property pursuant to, in enforcement of or to protect rights  
13 arising under a mortgage, mortgage note, deed of trust or other  
14 transaction that created a security interest in the real  
15 property.† <--

16 ~~"Municipal code" or "code." A municipally enacted code or~~ <--  
17 ~~ordinance related to the use or maintenance of real property.~~  
18 ~~The term includes any relevant building, housing, fire, health,~~  
19 ~~safety or public nuisance code or ordinance. A BUILDING,~~ <--  
20 ~~HOUSING, PROPERTY MAINTENANCE, FIRE, HEALTH OR OTHER PUBLIC~~  
21 ~~SAFETY ORDINANCE, RELATED TO THE USE OR MAINTENANCE OF REAL~~  
22 ~~PROPERTY, ENACTED BY A MUNICIPALITY. THE TERM DOES NOT INCLUDE A~~  
23 ~~SUBDIVISION AND LAND DEVELOPMENT ORDINANCE OR A ZONING ORDINANCE~~  
24 ~~ENACTED BY A MUNICIPALITY.~~

25 "Municipality." A city, borough, incorporated town, township  
26 or home rule, optional plan or optional charter municipality or  
27 municipal authority in this Commonwealth and any entity formed  
28 pursuant to Subchapter A of Chapter 23 (relating to  
29 intergovernmental cooperation).

30 †"Municipal permits." Privileges relating to real property <--

1 granted by a municipality, including, but not limited to,  
2 building permits, exceptions to zoning ordinances and occupancy  
3 permits. The term includes approvals pursuant to land use  
4 ordinances other than decisions on the substantive validity of a  
5 zoning ordinance or map or the acceptance of a curative  
6 amendment.

7 "Owner." A holder of the title to residential, commercial or  
8 industrial real estate, other than a mortgage lender, who  
9 possesses and controls the real estate. The term includes, but  
10 is not limited to, heirs, assigns, beneficiaries and lessees,  
11 provided this ownership interest is a matter of public record.

12 "Public nuisance." Property which, because of its physical  
13 condition or use, is regarded as a public nuisance at common law  
14 or has been declared by the appropriate official a public  
15 nuisance in accordance with a municipal code.

16 "Serious violation." A violation of a State law or a code  
17 that poses an imminent threat to the health and safety of a  
18 dwelling occupant, occupants in surrounding structures or a  
19 passersby.

20 "State law." A statute of the Commonwealth or a regulation  
21 of an agency charged with the administration and enforcement of  
22 Commonwealth law.

23 "Substantial step." An affirmative action as determined by a  
24 property code official or officer of the court on the part of a  
25 property owner or managing agent to remedy a serious violation  
26 of a State law or municipal code, including, but not limited to,  
27 physical improvements or repairs to the property, which  
28 affirmative action is subject to appeal in accordance with  
29 applicable law.

30 "Tax delinquent property." Tax delinquent real property as

1 defined under:

2 (1) the act of July 7, 1947 (P.L.1368, No.542), known as  
3 the Real Estate Tax Sale Law;

4 (2) the act of May 16, 1923 (P.L.207, No. 153), referred  
5 to as the Municipal Claim and Tax Lien Law; or

6 (3) the act of October 11, 1984 (P.L.876, No.171), known  
7 as the Second Class City Treasurer's Sale and Collection Act,  
8 located in any municipality in this Commonwealth.† <--

9 ~~§ 6111. Actions.~~

10 ~~(a) General rule. A municipal code shall be enforceable~~  
11 ~~through any legal, equitable or criminal proceeding permitted~~  
12 ~~under the laws of this Commonwealth. In addition to any other~~  
13 ~~remedy available at law or in equity, a municipality may~~  
14 ~~institute the following actions [against the owner of any real~~  
15 ~~property that is in serious] for violation of a code or for~~  
16 ~~failure to correct a [condition which causes the property to be~~  
17 ~~regarded as a] public nuisance:~~

18 ~~[(1) (i) An in personam action may be initiated for a~~  
19 ~~continuing violation for which the owner takes no~~  
20 ~~substantial step to correct within six months following~~  
21 ~~receipt of an order to correct the violation, unless the~~  
22 ~~order is subject to a pending appeal before the~~  
23 ~~administrative agency or court.~~

24 ~~(ii) Notwithstanding any law limiting the form of~~  
25 ~~action for the recovery of penalties by a municipality~~  
26 ~~for the violation of a code, the municipality may~~  
27 ~~recover, in a single action under this section, an amount~~  
28 ~~equal to any penalties imposed against the owner and any~~  
29 ~~costs of remediation lawfully incurred by or on behalf of~~  
30 ~~the municipality to remedy any code violation.~~

~~(2) A proceeding in equity.]~~

~~(3) Civil actions, including actions in assumpsit for the recovery of abatement or correction costs and for the collection of authorized interest and penalties.~~

~~(4) Imposition of liens against real property for the recovery of abatement or correction costs and for the collection of authorized interest and penalties.~~

~~(5) Criminal prosecution under 18 Pa.C.S. § 6504 (relating to public nuisances).~~

~~(6) Criminal prosecution under 18 Pa.C.S. § 7510 (relating to municipal housing code avoidance).~~

~~(b) Civil liability. The following persons and entities shall be considered responsible parties and may be held liable to the same extent as an individual property owner:~~

~~(1) A corporation, firm or other entity with a legal or equitable interest in or holding record title to real property.~~

~~(2) A partner or agent of an owner who has control over real property.~~

~~(3) Any other person or entity having control of real property, including the guardian of the estate of an owner and the administrator of the estate of an owner if ordered to take possession by a court of competent jurisdiction.~~

~~(c) Criminal liability. Corporations, unincorporated associations, agents and other persons may be convicted of a property related criminal offense, in accordance with the provisions of 18 Pa.C.S. § 307 (relating to liability of organizations and certain related persons).~~

~~Section 2. Section 6112 of Title 53 is repealed:~~

~~§ 6112. Asset attachment.~~

~~(a) General rule. A lien may be placed against the assets of an owner of real property that is in serious violation of a code or is regarded as a public nuisance after a judgment, decree or order is entered by a court of competent jurisdiction against the owner of the property for an adjudication under section 6111 (relating to actions).~~

~~\* \* \*~~

(b) Construction.--Nothing in this section shall be construed to authorize, in the case of an owner that is [an] A CORPORATION, association or trust, a lien on the individual assets of the general partner, AGENT or trustee, except as otherwise allowed by law, limited partner, shareholder, member or beneficiary of the association or trust.†

~~Section 3. Section 6113 of Title 53 is amended to read:~~  
†§ 6113. Duty of out-of-State owners of property in this Commonwealth.

A person OR OTHER RESPONSIBLE PARTY who lives or has a principal place of residence outside this Commonwealth, who owns OR IS RESPONSIBLE FOR property in this Commonwealth against which code violations have been cited and the person is charged under 18 Pa.C.S. (relating to crimes and offenses), and who has been properly notified of the violations may be extradited to this Commonwealth to face criminal prosecution to the full extent allowed and in the manner authorized by 42 Pa.C.S. Ch. 91 (relating to detainers and extradition).†

~~§ 6113. Out of State owners of property in this Commonwealth.~~

~~Liability may be imposed against any property owner or other responsible party domiciled outside this Commonwealth to the extent permitted by the Constitution of the United States, in accordance with 42 Pa.C.S. § 5322 (relating to bases of personal~~

1 ~~jurisdiction over persons outside this Commonwealth). Anyone~~  
2 ~~charged with a criminal violation may be extradited to this~~  
3 ~~Commonwealth to face prosecution to the extent and in the manner~~  
4 ~~provided by 42 Pa.C.S. Ch. 91 (relating to detainers and~~  
5 ~~extradition).~~

6 ~~Section 4. Section 6114 of Title 53 is repealed:~~

7 ~~†§ 6114. Duty of CORPORATION, association and trust owners. <--~~

8 Where, after reasonable efforts, service of process for a  
9 notice or citation for any code violation for any real property  
10 owned by [an] A CORPORATION, association or trust cannot be <--  
11 accomplished by handing a copy of the notice or citation to an  
12 AGENT, executive officer, partner or trustee of the CORPORATION, <--  
13 association or trust or to the manager, trustee or clerk in  
14 charge of the property, the delivery of the notice or citation  
15 may occur by registered, certified or United States Express  
16 mail, accompanied by a delivery confirmation:

17 (1) To the registered office of the CORPORATION, <--  
18 association or trust.

19 (2) Where the CORPORATION, association or trust does not <--  
20 have a registered office, to the mailing address used for  
21 real estate tax collection purposes, if accompanied by the  
22 posting of a conspicuous notice to the property and by  
23 handing a copy of the notice or citation to the person in  
24 charge of the property at that time.† <--

25 ~~Section 5. Section 6131 of Title 53 is amended to read:~~

26 ~~§ 6131. Municipal permit denial.~~

27 ~~(a) Denial.—~~

28 ~~(1) A municipality [or a board under subsection (c)] may~~  
29 ~~deny [issuing to an applicant a municipal permit if the~~  
30 ~~applicant owns real property in any municipality for which~~

1 ~~there exists on the real property:~~

2 ~~(i) a final and unappealable tax, water, sewer or~~  
3 ~~refuse collection delinquency on account of the actions~~  
4 ~~of the owner; or~~

5 ~~(ii) a serious violation of State law or a code and~~  
6 ~~the owner has taken no substantial steps to correct the~~  
7 ~~violation within six months following notification of the~~  
8 ~~violation and for which fines or other penalties or a~~  
9 ~~judgment to abate or correct were imposed by a~~  
10 ~~magisterial district judge or municipal court, or a~~  
11 ~~judgment at law or in equity was imposed by a court of~~  
12 ~~common pleas. However, no denial shall be permitted on~~  
13 ~~the basis of a property for which the judgment, order or~~  
14 ~~decree is subject to a stay or supersedeas by an order of~~  
15 ~~a court of competent jurisdiction or automatically~~  
16 ~~allowed by statute or rule of court until the stay or~~  
17 ~~supersedeas is lifted by the court or a higher court or~~  
18 ~~the stay or supersedeas expires as otherwise provided by~~  
19 ~~law. Where a stay or supersedeas is in effect, the~~  
20 ~~property owner shall so advise the municipality seeking~~  
21 ~~to deny a municipal permit.] the permit application of a~~  
22 ~~property owner or agent thereof if, in any municipality~~  
23 ~~or jurisdiction in this Commonwealth, the applicant:~~

24 ~~(iii) owns property against which there is a tax or~~  
25 ~~municipal lien;~~

26 ~~(iv) has failed to correct a code violation six~~  
27 ~~months after the date of the initial citation; or~~

28 ~~(v) is subject to an outstanding warrant or~~  
29 ~~unsatisfied judgment resulting from one or more municipal~~  
30 ~~code violations.~~

1       ~~(2) A municipality or board shall not deny a municipal~~  
2 ~~permit to an applicant if the municipal permit is necessary~~  
3 ~~to correct a violation of State law or a code.~~

4       ~~(3) The municipal permit denial shall not apply to an~~  
5 ~~applicant's delinquency on taxes, water, sewer or refuse~~  
6 ~~collection charges that are under appeal or otherwise~~  
7 ~~contested through a court or administrative process.~~

8       ~~(4) In issuing a denial of a permit [based on an~~  
9 ~~applicant's delinquency in real property taxes or municipal~~  
10 ~~charges or for failure to abate a serious violation of State~~  
11 ~~law or a code on real property that the applicant owns in~~  
12 ~~this Commonwealth] under this section, the municipality [or~~  
13 ~~board] shall indicate, with sufficient particularity, the~~  
14 ~~basis for the denial, including the street address[,~~   
15 ~~municipal corporation and county in which the property is~~  
16 ~~located and the court and docket number for each parcel cited~~  
17 ~~as a basis for the denial. The denial shall also state that~~  
18 ~~the applicant may request a letter of compliance from the~~  
19 ~~appropriate State agency, municipality or school district, in~~  
20 ~~a form specified by such entity as provided in this section.]~~  
21 ~~of any implicated property, the violation and, if applicable,~~  
22 ~~a copy of the outstanding warrant or docket number associated~~  
23 ~~with any unsatisfied judgment.~~

24       ~~(b) Proof of compliance.—~~

25       ~~[(1) All municipal permits denied in accordance with~~  
26 ~~this subsection may be withheld until an applicant obtains a~~  
27 ~~letter from the appropriate State agency, municipality or~~  
28 ~~school district indicating the following:~~

29               ~~(i) the property in question has no final and~~  
30               ~~unappealable tax, water, sewer or refuse delinquencies;~~

~~(ii) the property in question is now in State law and code compliance; or~~

~~(iii) the owner of the property has presented and the appropriate State agency or municipality has accepted a plan to begin remediation of a serious violation of State law or a code. Acceptance of the plan may be contingent on:~~

~~(A) Beginning the remediation plan within no fewer than 30 days following acceptance of the plan or sooner, if mutually agreeable to both the property owner and the municipality.~~

~~(B) Completing the remediation plan within no fewer than 90 days following commencement of the plan or sooner, if mutually agreeable to both the property owner and the municipality.~~

~~(2) In the event that the appropriate State agency, municipality or school district fails to issue a letter indicating tax, water, sewer, refuse, State law or code compliance or noncompliance, as the case may be, within 45 days of the request, the property in question shall be deemed to be in compliance for the purpose of this section. The appropriate State agency, municipality or school district shall specify the form in which the request for a compliance letter shall be made.~~

~~(3) Letters required under this section shall be verified by the appropriate municipal officials before issuing to the applicant a municipal permit.~~

~~(4) (i) Municipal permits may be denied by a board in accordance with the requirements of this section to the extent that approval of the municipal permit is within~~

1 ~~the jurisdiction of the board. For purposes of this~~  
2 ~~section, "board" shall mean a zoning hearing board or~~  
3 ~~other body granted jurisdiction to render decisions in~~  
4 ~~accordance with the act of July 31, 1968 (P.L.805,~~  
5 ~~No.247), known as the Pennsylvania Municipalities~~  
6 ~~Planning Code, or a similar board in municipalities not~~  
7 ~~subject to that act.~~

8 ~~(ii) In any proceeding before a board other than the~~  
9 ~~governing body of the municipality, the municipality may~~  
10 ~~appear to present evidence that the applicant is subject~~  
11 ~~to a denial by the board in accordance with this section.~~

12 ~~(iii) For purposes of this subsection, a municipal~~  
13 ~~permit may only be denied to an applicant other than an~~  
14 ~~owner if:~~

15 ~~(A) the applicant is acting under the direction~~  
16 ~~or with the permission of an owner; and~~

17 ~~(B) the owner owns real property satisfying the~~  
18 ~~conditions of subsection (a).~~

19 ~~(c) Applicability of other law. A denial of a permit shall~~  
20 ~~be subject to the provisions of 2 Pa.C.S. Chs. 5 Subch. B~~  
21 ~~(relating to practice and procedure of local agencies) and 7~~  
22 ~~Subch. B (relating to judicial review of local agency action) or~~  
23 ~~the Pennsylvania Municipalities Planning Code, for denials~~  
24 ~~subject to the act.}~~

25 ~~Approval may be withheld until the applicant provides~~  
26 ~~sufficient proof that:~~

27 ~~(1) the basis for the denial has been corrected or~~  
28 ~~otherwise remedied; or~~

29 ~~(2) the applicant or property owner has entered into a~~  
30 ~~remediation or payment plan with the municipality or~~

~~appropriate agency.~~

~~Section 6. Section 6143 of Title 53 is repealed:~~

~~{§ 6143. Conflict with other law.~~

~~In the event of a conflict between the requirements of this chapter and Federal requirements applicable to demolition, disposition or redevelopment of buildings, structures or land owned by or held in trust for the Government of the United States and regulated pursuant to the United States Housing Act of 1937 (50 Stat. 888, 42 U.S.C. § 1437 et seq.) and the regulations promulgated thereunder, the Federal requirements shall prevail.]~~

~~Section 7. Section 6144 of Title 53 is amended to read:~~

~~§ 6144. Relief for inherited or foreclosed property.~~

~~[Where property is inherited] Notwithstanding any other provision of this chapter, where property is transferred by will or intestacy[, the devisee or heir shall be given the opportunity to make payments on reasonable terms to correct code violations or to enter into a remediation agreement under section 6131(b) (1) (iii) (relating to municipal permit denial) with a municipality to avoid subjecting the devisee's or heir's other properties to asset attachment or denial of permits and approvals on other properties owned by the devisee or heir.] or as the result of a foreclosure, the owner or, if applicable, person in possession of the property shall be afforded a reasonable opportunity to correct any code violations or delinquencies.~~

~~(3) IN THE CASE OF A CORPORATION, NOTICE SHALL BE SENT TO THE REGISTERED OFFICE ON FILE WITH THE DEPARTMENT OF STATE.~~

~~Section 8 2. This act shall take effect in 60 days.~~