THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1480 Session of

INTRODUCED BY SANTORA, DAVIS, YOUNGBLOOD, TOEPEL, THOMAS, R. BROWN, A. HARRIS, MUSTIO, MASSER, SAINATO, KORTZ, EMRICK, HEFFLEY, SAYLOR, PHILLIPS-HILL, PETRI, KILLION, CARROLL, DAY, DEASY, KAUFFMAN, KNOWLES AND GIBBONS, AUGUST 10, 2015

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, AUGUST 10, 2015

AN ACT

- Amending the act of December 20, 2000 (P.L.724, No.99), entitled 1 "An act requiring purchasers of real estate with buildings 2 thereon to bring the buildings into compliance with municipal
- codes; providing for nuisance abatement; and imposing
- penalties," further providing for definitions; providing for issuance of use and occupancy certificate; and further 5
- 6
- providing for compliance requirement. 7
- 8 The General Assembly of the Commonwealth of Pennsylvania
- hereby enacts as follows:
- Section 1. Section 2 of the act of December 20, 2000 10
- (P.L.724, No.99), known as the Municipal Code and Ordinance 11
- 12 Compliance Act, is amended to read:
- 13 Section 2. Definitions.
- 14 The following words and phrases when used in this act shall
- 15 have the meanings given to them in this section unless the
- 16 context clearly indicates otherwise:
- 17 ["Constructive knowledge." Knowledge of a violation listed
- 18 on the seller's property disclosure statement made pursuant to
- the act of July 2, 1996 (P.L.500, No.84), known as the Real 19

- 1 Estate Seller Disclosure Act, a violation appearing on a buyer's
- 2 notification certificate provided by a municipality or a
- 3 violation that is a matter of public record.]
- 4 "Date of purchase." The [closing] date on which title and
- 5 right to possess the property transfers to the purchaser or, in
- 6 cases where the property is sold pursuant to the act of May 16,
- 7 1923 (P.L.207, No.153), referred to as the Municipal Claim and
- 8 Tax Lien Law, the first day following the right of redemption
- 9 period authorized under the Municipal Claim and Tax Lien Law.
- 10 ["Known to have." Knowledge of a violation based on actual
- 11 or constructive knowledge.]
- "Municipality." Any city, borough, incorporated town,
- 13 township, home rule municipality, optional plan municipality,
- 14 optional charter municipality or any similar general purpose
- 15 unit of government which may be created or authorized by
- 16 statute.
- "Substantial violation." A violation of a [building,
- 18 housing, property maintenance or fire code, which violation
- 19 posed a threat to health, safety or property but not a violation
- 20 of such a code deemed by a court to be de minimis.] properly
- 21 <u>adopted building, housing, property maintenance or fire code or</u>
- 22 <u>maintenance</u>, <u>health or safety nuisance ordinance that makes a</u>
- 23 building, structure or any part thereof unfit for human
- 24 habitation and is discovered during the course of a municipal
- 25 <u>inspection of a property and disclosed to the record owner or</u>
- 26 prospective purchaser of the property through issuance of a
- 27 <u>municipal report.</u>
- 28 <u>"Temporary use and occupancy certificate." A certificate</u>
- 29 <u>issued by a municipality as a result of the municipal inspection</u>
- 30 of a property incident to the resale of the property that

- 1 reveals a violation but no substantial violation, and the
- 2 purpose of which certificate is to authorize the purchaser to
- 3 <u>fully utilize or reside in the property while correcting</u>
- 4 <u>violations pursuant to the maintenance and repair provisions of</u>
- 5 this act. The term includes a certificate that meets this
- 6 definition, regardless of the terminology utilized by a
- 7 municipality, including, but not limited to, "resale
- 8 <u>certificate</u>" or "certificate of occupancy."
- 9 <u>"Temporary use certificate." A certificate issued by a</u>
- 10 municipality as a result of the municipal inspection of a
- 11 property incident to the resale of the property that identifies
- 12 at least one substantial violation, and the purpose of which
- 13 <u>certificate is to authorize the purchaser to utilize the</u>
- 14 property for the purpose of correcting substantial violations
- 15 pursuant to the maintenance and repair provisions of this act.
- 16 The term includes a certificate that meets this definition,
- 17 regardless of the terminology utilized by a municipality,
- 18 including, but not limited to, "resale certificate" or
- 19 "certificate of occupancy." No person may occupy a property
- 20 during the term of a temporary use certificate, but the owner
- 21 shall be permitted to store personalty in the property during
- 22 that time.
- 23 "Unfit for human habitation." A condition which renders a
- 24 building, structure, or any part thereof, dangerous or injurious
- 25 to the health, safety or physical welfare of an occupant or the
- 26 occupants of neighboring dwellings. The condition may include
- 27 <u>substantial violations of a property that show evidence of: a</u>
- 28 significant increase to the hazards of fire or accident;
- 29 <u>inadequate sanitary facilities; vermin infestation; or a</u>
- 30 condition of disrepair, dilapidation or structural defects such

- 1 that the cost of rehabilitation and repair would exceed one-half
- 2 of the agreed-upon purchase price of the property.
- 3 "Use and occupancy certificate." A certificate issued by a
- 4 municipality as a result of the municipal inspection of a
- 5 property incident to the resale of the property that does not
- 6 reveal a violation and the purpose of which certificate is to
- 7 <u>authorize the purchaser to fully utilize or reside in the</u>
- 8 property. The term includes a certificate that meets this
- 9 <u>definition</u>, regardless of the terminology utilized by a
- 10 municipality, including, but not limited to, "resale
- 11 <u>certificate</u>" or "certificate of occupancy."
- 12 "Violation." A violation of a properly adopted building,
- 13 housing, property maintenance or fire code or maintenance,
- 14 health or safety nuisance ordinance that does not rise to the
- 15 level of a substantial violation and is discovered during the
- 16 course of a municipal inspection of a property and disclosed to
- 17 the record owner or prospective purchaser of the property
- 18 through issuance of a municipal report.
- 19 Section 2. The act is amended by adding a section to read:
- 20 Section 2.1. Issuance of use and occupancy certificate.
- 21 (a) General rule. -- A municipality requiring use and
- 22 occupancy certificates may not deny a certificate under any
- 23 circumstances, and shall issue the certificates in the following
- 24 manner:
- 25 (1) If the inspection reveals no violations, the
- 26 municipality shall issue a use and occupancy certificate.
- 27 (2) If the inspection reveals at least one violation,
- but no substantial violations, the municipality shall issue a
- temporary use and occupancy certificate.
- 30 (3) If the inspection reveals at least one substantial

- 1 <u>violation, the municipality shall specifically note those</u>
- 2 items on the inspection report and shall issue a temporary
- 3 use certificate.
- 4 (b) Escrows and bonds prohibited. -- A municipality may not
- 5 require the escrowing of funds or posting of a bond, or impose
- 6 any similar financial security as a condition of issuing a
- 7 certificate.
- 8 Section 3. Section 3 of the act is amended to read:
- 9 Section 3. Compliance requirement.
- 10 (a) General rule.--[Within 18 months of the date of purchase
- 11 or longer subject to an agreement between the purchaser and the
- 12 municipality, any purchaser of any building, structure or part
- 13 of a building or structure known to have one or more substantial
- 14 violations of municipal codes relating to building, housing,
- 15 property maintenance or fire shall: If the municipality issues
- 16 <u>either a temporary use and occupancy certificate or a temporary</u>
- 17 use certificate, within 18 months from the purchase date, or 12
- 18 months from the purchase date for nuisance ordinance violations,
- 19 the purchaser, at his option, shall either:
- 20 (1) bring the building, structure or that part of a
- 21 building or structure into compliance with those codes or
- 22 <u>ordinances;</u> or
- 23 (2) demolish the building or structure in accordance
- 24 with law.
- 25 (a.1) Negotiation of longer time periods.--At its
- 26 discretion, the municipality may negotiate longer time periods
- 27 <u>for maintenance and repair under a temporary certificate, but</u>
- 28 the time periods stated in subsection (a) may not be shortened.
- 29 (a.2) Reinspection of property.--
- 30 (1) At the expiration of the time period set forth in

1	subsection (a) or before that time, if requested by the
2	property owner, the municipality shall reinspect the property
3	for the purpose of determining compliance with the cited
4	violations.
5	(2) If a temporary use permit has been issued and
6	reinspection indicates that the noted substantial violations
7	have been corrected but other cited violations have not yet
8	been corrected, the municipality shall issue a temporary use
9	and occupancy permit to be valid for the time remaining on
10	the original temporary use permit.
11	(3) If the reinspection indicates that all noted
12	violations have been corrected, the municipality shall issue
13	a use and occupancy certificate for the property.
14	(b) Penalty
15	(1) Failure to comply with the requirements of
16	subsection (a) shall result in [the] $\underline{:}$
17	(i) Revocation of the temporary certificate.
18	(ii) The purchaser being subject to any existing
19	municipal ordinances relating to the occupation of a
20	property without a use and occupancy certificate.
21	(iii) The purchaser being personally liable for the
22	costs of maintenance, repairs or demolition sufficient to
23	correct the cited violations, and a fine of not less than
24	\$1,000 and not more than \$10,000.
25	(2) Fines shall be remitted to the municipality in which
26	the building, structure or part of a building or structure is
27	located.
28	(3) In municipalities with low-income housing, not less
29	than one-third of the fine imposed <u>specifically for code</u>
30	violations shall be used by the municipality for low-income

- 1 housing in a manner determined by the municipality.
- 2 [(c) Nuisance ordinances.--
- 3 (1) Any purchaser of any lot or parcel of land known to 4 have one or more substantial violations of municipal nuisance 5 ordinances relating to maintenance, health or safety is 6 required to make a reasonable attempt to abate the nuisance
- 8 (2) Failure to comply with the requirements of this 9 subsection shall result in the purchaser being personally 10 liable for the cost of maintenance and a fine of not less
- 10 ITADIC TOT the cost of matheenance and a fine of not less
- 11 than \$1,000 and not more than \$10,000. Fines shall be

within one year of the date of purchase.

- remitted to the municipality in which the lot or parcel of
- 13 land is located.

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- 14 (d) Enforcement.--Local municipalities are authorized to
- 15 enforce the provisions of this section.
- 16 (e) Coordination with other requirements. -- In connection
- 17 with the purchase of a building, structure, part of a building
- 18 or structure, lot or parcel of land subject to subsection (a) or
- 19 (c), a municipality shall not refuse to issue a use and
- 20 occupancy certificate or similar permit on the basis of a
- 21 substantial violation or require the correction of a substantial
- 22 violation as a condition to issuing a use and occupancy
- 23 certificate or similar permit unless the substantial violation
- 24 renders the property unfit for habitation.]
- 25 Section 4. This act shall take effect in 60 days.