



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 775

PRINTER'S NO. 1357

PRIME SPONSOR: Twardzik

COST / (SAVINGS)

FUND	FY 2023/24	FY 2024/25
General Fund	\$0	\$0

SUMMARY:

House Bill 775 allows municipalities to create a blighted and vacant property registration program and impose penalties.

ANALYSIS:

This bill defines a “vacant and blighted property” as a blighted property that is vacant. Under this bill, a municipality may impose and collect, by ordinance, a vacant and blighted property registration fee that may be operated by a third-party entity if the municipality chooses to contract with one. Municipalities implementing a blighted and vacant property registration program shall establish a process for removal of properties from the registry and disclose that process to the owner.

Municipalities imposing a registration fee shall compile and maintain a vacant and blighted properties list with address and owner information. Municipalities shall impose the registration fee on the owner of the vacant and blighted property annually at the following amounts:

- \$500 one year from the date on which the property was listed.
- \$1,000 two years from the date on which the property was listed.
- \$2,000 three and four years from the date on which the property was listed.
- \$3,500 five through eight years from the date on which the property was listed.
- \$5,000 nine or more years from the date on which the property was listed.

If the property is brought into compliance within 12 months or sells the property to an entity that brings the property into compliance, the fee shall be waived. Properties owned by the state or federal government, a county, municipality, redevelopment authority, housing authority or land bank are exempt from registration fees. Further exemptions include:

- A property under active construction, rehabilitation, renovation or repair.
- A property in compliance with all federal, state, and local laws and the owner is seeking in good faith to rent or sell the property.
- A property with a homeowner that has shown the municipality of economic hardship and working with the municipality to bring the property into compliance.
- A property owned by a member of the United States military on active duty if the property is in compliance with all federal, state, and local codes.

The bill outlines further penalties for a homeowner who fails to pay the registration fees required by assessing a daily penalty of \$25 for residential properties and \$50 for commercial or industrial properties.

This act shall take effect in 60 days.

FISCAL IMPACT:

This bill would have no fiscal impact on Commonwealth funds.

PREPARED BY: Chris Fetterman

House Appropriations Committee (D)

DATE: November 14, 2023

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.