

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 900

PRINTER'S NO. 2028

AMOUNT

Minimal cost to the Commonwealth

FUND

General

DATE INTRODUCED

June 17, 2009

PRIME SPONSOR

Senator Argall

HISTORY OF BILL

Referred to URBAN AFFAIRS AND HOUSING, June 17, 2009

Reported as amended, July 1, 2009

First consideration, July 1, 2009

Re-referred to APPROPRIATIONS, July 17, 2009

Re-reported as amended, June 7, 2010

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 900, as amended, amends Title 53 (Municipalities Generally) by adding Chapter 61, which enacts the Neighborhood Blight Reclamation and Revitalization Act. The legislation intends to eliminate neighborhood blight caused by property owners who fail to maintain their property by establishing a process to effectively deal with blighted and abandoned properties.

Senate Bill 900 authorizes a municipality to institute the following actions against an owner of any building, housing or land in serious violation of a property maintenance code:

1. An in personam action for a continuing violation for which the owner takes no substantial step to correct within 60 days following receipt of an order to correct the violation, unless the order is subject to a pending appeal before the administrative agency or court.
2. An action against the owner for an amount equal to penalties imposed against the owner and for the amount expended by the municipality to abate the violation.
3. A proceeding in equity.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

The legislation allows a lien to be placed against the assets of an owner of unremediated blighted real property after a judgment, decree or order is entered by a court of competent jurisdiction against the owner of the property.

An out-of-state owner of real estate against which code violations have been cited under 18 Pa.C.S. § 7510 may be extradited to this Commonwealth to face criminal prosecution.

In cases of corporate ownership of the property, the delivery of the notice or citation may occur by registered mail, accompanied by a delivery confirmation to the registered office of the corporation or, where there is no registered office, to the mailing address used for real estate tax collection purposes, if accompanied by the posting of a conspicuous notice to the property and by handing a copy of the notice or citation to any adult in possession of the property.

Senate Bill 900 grants municipalities the ability to deny building permits, zoning permits, zoning variances, municipal licenses, municipal permits or municipal approval if any of the following delinquencies apply:

1. The applicant owns real property in any municipality for which taxes, water, sewer or refuse collection charges are delinquent.
2. The applicant owns real property that is in serious violation of code requirements and has not taken substantial steps to bring the property into code compliance.
3. The applicant owns any property in any municipality which is in violation of State law or municipal code requirements and has taken no substantial steps to correct within six months following notification of the violation.

The municipal permit denial shall not apply to an action or delinquency that is under appeal or otherwise contested through a court or administrative process.

The legislation provides for proof of compliance by requiring applicants to obtain a letter from the appropriate State agency, municipality or school district which indicates the following:

1. The property in question is not presently tax delinquent.
2. The property in question is now in code compliance.
3. The owner of the property in question has taken substantial steps to bring the property into code compliance.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

Senate Bill 900 provides for education and training programs for judges. The Administrative Office of Pennsylvania Courts may develop and implement annual and ongoing education and training programs for judges, including magisterial district judges, regarding the laws of blighted and abandoned properties and the economic impact that such properties have upon municipalities. The education and training programs shall include:

1. The importance and connection of code violations and crime.
2. Time-in-fact violations as they relate to code violations.
3. Conduct of witnesses in prosecuting code violations.
4. Limiting continuances in code violations.
5. Use of indigency hearings in the prosecution of code violations.

Upon the request or approval by the county commissioners, the president judge of a county may establish a housing court to hear and decide matters related to real property.

The Act shall take effect in 90 days.

FISCAL IMPACT:

It is presumed there would be minimal costs to the Commonwealth. Senate Bill 900 allows the Administrative Office of Pennsylvania Courts ("AOPC") to develop and implement education and training programs for judges. Presently, the AOPC's educational offerings are designed to address new and emerging areas of law, and so the additional training required by this legislation would presumably be incorporated into the current programs at minimal additional cost.

Counties that opt to establish a new housing court would be responsible for the associated costs through the use of county funds.