

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** House Bill 653

**PRINTER NO.** 692

**AMOUNT**

No Fiscal Impact

**FUND**

General Fund  
Municipal Funds

**DATE INTRODUCED**

February 28, 2017

**PRIME SPONSOR**

Representative Masser

**DESCRIPTION AND PURPOSE OF BILL**

House Bill 653 amends Title 68 (Real and Personal Property) of the Pennsylvania Consolidated Statutes, providing for real estate foreclosure of vacant and abandoned property and for sheriff's commission and credit or attorney fees.

Title 68 is amended by adding a new Chapter 23 (Real Estate Foreclosure) to provide for an expedited process of certifying vacant and abandoned mortgaged property in order to list it for a sheriff's sale.

This legislation establishes the Vacant and Abandoned Real Estate Foreclosure Act, which does all of the following:

- Provides that after a creditor gives notice to an obligor of a delinquent or other defaulted obligation, a mortgaged property for which the notice is given or proceedings are initiated will be considered as vacant and abandoned if:
  - a creditor or purchaser has been designated as a conservator of the mortgaged property under the provisions of the Abandoned and Blighted Property Conservatorship Act;
  - the mortgaged property is certified vacant and abandoned by the municipality in which it is located; or
  - the mortgaged property is certified vacant and abandoned as a result of judicial certification.
- Provides for certain requirements to certify mortgaged property as vacant and abandoned;
- Provides for the following after certification of vacancy and abandonment:
  - Foreclosure action;
  - Service and notification;
  - Scheduling of sheriff's sale;
  - Scheduling of execution of writ of possession;
  - Possession of mortgaged property pending foreclosure;
  - Property maintenance;

# SENATE APPROPRIATIONS COMMITTEE

## FISCAL NOTE

- Provides for certain post-sheriff's sale possessory actions;
- Stipulates that nothing in this act shall be construed to limit or restrict in any manner remedies available at law or in equity to a creditor or purchaser in a proceeding;
- Sets limitations on a Sheriff's commission and creditor's attorney fees; and
- Repeals certain parts of acts to the extent of any inconsistency with the newly created Chapter 23.

The addition of Chapter 23 to Title 68 (Real and Personal Property) shall take effect in 60 days. The remainder of the act shall take effect immediately.

### **FISCAL IMPACT:**

The enactment of this legislation will have no adverse fiscal impact on Commonwealth or municipal funds. To the extent this legislation returns blighted and abandoned property to productive use more quickly, local governments will realize additional property tax revenues more quickly than in the past.