



*Senate of Pennsylvania*

***Senator Anthony H. Williams***

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**DATE:** February 24, 2012  
**TO:** All Senators  
**FROM:** Senator Anthony H. Williams  
**SUBJECT:** Co-sponsorship of Legislation: **City Gas Companies – Lien Policies**

In the very near future, I will be introducing legislation to amend the Public Utility Code, 66 P.S. §§1406 and 2212, for the purposes of preventing city natural gas companies from filing property liens in order to collect delinquent gas bills. This is a companion bill to Representative Scott Petri's House Bill 2114, filed last month.

Annually, PGW collects an estimated \$27 million from residential owners, as well as landlords with deadbeat tenants, through the imposition of property liens. For approximately five years, it has been the Philadelphia Gas Works' ("PGW") policy to pursue legal action against landlords for purposes of collecting on their tenants' unpaid gas bills. This policy allows for the distribution of free gas to tenants, forcing landlords to later compensate for unpaid receivables. Presently, PGW has the legal right to file liens against all properties, including residential rental properties, for unpaid gas bills incurred at the property; however, this action is often taken long after the tenant has left the property. If the tenant does not pay for his or her gas and subsequently leaves the rental property, PGW may pursue compensation from the landlord. If the landlord does not pay their previous or present tenants' unpaid bills, plus interest and penalties, PGW may then file a lien on the property. Consequently, this makes it difficult to sell or refinance. According to the Philadelphia Inquirer, this often occurs without notice, explanation or an opportunity to contest the amount owed.

In order to better protect the rights of innocent property owners, this bill would prohibit any city natural gas distribution operation from collecting delinquent receivables through the imposition of property liens. A responsible landlord should not have to pay delinquent gas fees incurred by a negligent tenant or suffer the consequences of a resulting property lien.

If you wish to co-sponsor this legislation, please contact Shannon A. Sargent, Esq., at 787-5970 or email [ssargent@pasenate.com](mailto:ssargent@pasenate.com).