

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2445 Session of
2008

INTRODUCED BY EACHUS, KORTZ, ARGALL, GOODMAN, WHEATLEY, DeLUCA, COHEN, McCALL, MUNDY, PARKER, FABRIZIO, SOLOBAY, HARHAI, GRELL, KULA, MANN, READSHAW, PRESTON, PASHINSKI, M. O'BRIEN, MOYER, J. WHITE, YUDICHAK, WALKO, SAYLOR, HESS, MAHONEY, McILHATTAN, CARROLL, HENNESSEY, McGEEHAN, SANTONI, STURLA, J. TAYLOR, BUXTON, SWANGER, BEYER, MELIO, BOYD, FRANKEL, McILVAINE SMITH, HALUSKA, BELFANTI, CONKLIN, DALEY, GEIST, HUTCHINSON, K. SMITH, GINGRICH, BENNINGHOFF, FREEMAN, HARKINS, HORNAMAN, JAMES, JOSEPHS, KOTIK, LEACH, MICOZZIE, WANSACZ, YOUNGBLOOD, GRUCELA, CAPPELLI, GIBBONS, BENNINGTON, SAINATO, WAGNER, CASORIO, R. MILLER, WOJNAROSKI, BROOKS, PETRONE AND LONGIETTI, APRIL 15, 2008

AS REPORTED FROM COMMITTEE ON LABOR RELATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, SEPTEMBER 23, 2008

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, providing for neighborhood blight
3 reclamation and revitalization.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Title 53 of the Pennsylvania Consolidated
7 Statutes is amended by adding a chapter to read:

8 CHAPTER 61

9 NEIGHBORHOOD BLIGHT RECLAMATION AND REVITALIZATION

10 Subchapter

11 A. Preliminary Provisions

12 B. Actions Against Owner of Blighted Property

13 C. Responsibilities of Mortgage Lenders

1	<u>D. Conservatorship</u>	<—
2	<u>E D. State and Local Government Permit Denials</u>	<—
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7 SUBCHAPTER A

8 PRELIMINARY PROVISIONS

9 Sec.

10 6101. Short title of chapter.

11 6102. Legislative findings and declaration of policy.

12 6103. Definitions.

13 § 6101. Short title of chapter.

14 This chapter shall be known and may be cited as the
15 Neighborhood Blight Reclamation and Revitalization Act.

16 § 6102. Legislative findings and declaration of policy.

17 The General Assembly finds and declares as follows:

18 (1) It is the intent of the General Assembly to
19 eliminate neighborhood blight caused by property owners who
20 fail to maintain their property or to comply with municipal
21 property maintenance codes. The General Assembly declares
22 that it is in the best interest of the Commonwealth, its
23 citizens and its municipalities to establish a process as set
24 forth under this chapter to effectively deal with blighted
25 and abandoned properties in order to bring the properties up
26 to code standards, acquire and demolish them or, where cost-
27 effective and structurally sound, rehabilitate them and
28 return them to productive use. This includes constructing new
29 housing on sites that formerly contained blighted properties
30 and rehabilitating blighted buildings which have been

1 determined to be structurally sound and capable of being
2 rehabilitated.

3 (2) Pennsylvania's communities are important to this
4 Commonwealth's economic health and provide a focal point for
5 businesses and services. They also contribute to this
6 Commonwealth's quality of life with their rich histories,
7 culture, heritage and diversity, along with their parks,
8 recreational attributes and historic buildings and
9 architecture. Many of these communities, however, are
10 presently being negatively affected by blighted properties
11 that either are in use in spite of their deteriorated state
12 or have been abandoned.

13 (3) Citizens of this Commonwealth living in its
14 communities are adversely affected by abandoned and blighted
15 residential, commercial and industrial properties, especially
16 individuals living or owning property in close proximity to
17 unsafe, substandard and deteriorated buildings.

18 (4) Substandard, deteriorating and abandoned
19 residential, commercial and industrial structures are not
20 only a public safety threat and nuisance, their blighted
21 condition diminishes property values in the communities in
22 which these properties are located. Nearby property owners
23 lose equity in their properties, and municipalities lose
24 desperately needed property tax revenues for municipal
25 services as a result of lower assessed property values which
26 result from the presence of blighted and abandoned buildings.

27 (5) Blighted properties presently sold at tax sales most
28 times remain blighted. When these blighted properties are not
29 rehabilitated or demolished immediately, they further
30 deteriorate, resulting in increased costs to the Commonwealth

1 and its municipalities to secure and demolish them.

2 (6) Providing a legislative mechanism to transform
3 abandoned and blighted properties into productive reuse
4 provides an opportunity for communities in Pennsylvania to be
5 revitalized while improving the quality of life for
6 individuals who live there. This revitalization includes
7 clearing sites of blighted properties and replacing them with
8 new housing, as well as rehabilitating structurally sound
9 blighted properties.

10 § 6103. Definitions.

11 The following words and phrases when used in this chapter
12 shall have the meanings given to them in this section unless the
13 context clearly indicates otherwise:

14 "Abandoned property." A property on which there is a
15 building that has not been legally occupied for at least the
16 previous 12 months and is a blighted property.

17 "Blighted property." Any of the following:

18 (1) Premises which, because of physical condition or
19 use, are regarded as a public nuisance at common law or have
20 been declared a public nuisance in accordance with the local
21 housing, building, plumbing, fire and related codes and
22 ordinances, including nuisance and dangerous building
23 ordinances.

24 (2) Premises which, because of physical condition, use
25 or occupancy, are considered an attractive nuisance to
26 children, including, but not limited to, abandoned wells,
27 shafts, basements, excavations and unsafe fences or
28 structures.

29 (3) A dwelling which, because it is dilapidated,
30 unsanitary, unsafe, vermin-infested or lacking in the

1 facilities and equipment required under the housing code of
2 the municipality, has been designated by the municipal
3 department responsible for enforcement of the code as unfit
4 for human habitation.

5 (4) A structure which is a fire hazard or is otherwise
6 dangerous to the safety of persons or property.

7 (5) A structure from which the utilities, plumbing,
8 heating, water, sewage or other facilities have been
9 disconnected, destroyed, removed or rendered ineffective so
10 that the property is unfit for its intended use.

11 (6) A vacant or unimproved lot or parcel of ground in a
12 predominantly built-up neighborhood which, by reason of
13 neglect or lack of maintenance, has become a place for
14 accumulation of trash and debris or a haven for rodents or
15 other vermin.

16 (7) An unoccupied property which has been tax delinquent
17 for a period of two years.

18 (8) A property which is vacant but not tax delinquent
19 and which has not been rehabilitated within one year of the
20 receipt of notice to rehabilitate from the appropriate code
21 enforcement agency.

22 "Building." A residential, commercial or industrial building
23 or structure and the land appurtenant to it.

24 "Code." A building, housing, property maintenance, fire,
25 health or other public safety ordinance enacted by a
26 municipality.

27 "Commonwealth agency." The Governor, departments, boards,
28 agencies, commissions, authorities and other officers of the
29 Commonwealth, including those subject to the policy supervision
30 and control of the Governor. The term does not include any court

or other officer or agency of the unified judicial system or the General Assembly or any of its officers and agencies.

"Competent entity." A person or entity, including a governmental unit, with experience in the rehabilitation of residential, commercial or industrial buildings and the ability to provide or obtain the necessary financing for such rehabilitation.

"Consumer." A person who is a named insured, insured or beneficiary of a policy of insurance or any other person who may be affected by the Insurance Department's exercise of or the failure to exercise its authority.

"Cost of rehabilitation." Costs and expenses for construction, stabilization, rehabilitation, demolition and reasonable nonconstruction costs associated with any of these projects, including, but not limited to, environmental remediation, architectural, engineering and legal fees, permits, financing fees and a developer's fee consistent with the standards for developer's fees established by the Pennsylvania Housing Finance Agency.

"Court." The appropriate court of common pleas.

"Department." The Department of Community and Economic Development of the Commonwealth.

"Electronically." Utilizing procedures promulgated by the Department of Community and Economic Development to file forms and obtain information electronically, provided the information is available to the requester under the act of June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law.

"Insurer," "company," "association" or "exchange." As these terms are defined in section 101 of the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921,

or any entity subject to Article XXIV of The Insurance Company Law of 1921, the act of December 29, 1972 (P.L.1701, No.364), known as the Health Maintenance Organization Act, or 40 Pa.C.S. Ch. 61 (relating to hospital plan corporations) or 63 (relating to professional health services plan corporations).

"License." A permit granted by the Commonwealth or one of its agencies which gives permission to the applicant, EXCLUDING INDIVIDUALS AND BUSINESSES REGULATED BY THE BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS, to participate in a certain activity or exercise a certain privilege.

"Licensing" or "certification." The issuance of a license or the formal assertion in writing of some fact or qualification from the Commonwealth or one of its agencies, EXCLUDING THE BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS.

"Municipality." A city, borough, incorporated town, township or home rule, optional plan or optional charter municipality or municipal authority in this Commonwealth. The term also includes any other governmental entity charged with enforcement of municipal housing, building, plumbing, fire and related codes and specifically includes a neighborhood improvement district and nonprofit corporation created under the act of December 20, 2000 (P.L.949, No.130), known as the Neighborhood Improvement District Act.

"Municipal permits." Privileges relating to real property granted by a municipality, including, but not limited to, building permits, exceptions to zoning ordinances and occupancy permits.

"Nonprofit corporation." A nonprofit corporation that has, as one of its purposes, community development activities, including economic development or the promotion or enhancement

1 of affordable housing opportunities.

2 "Owner." The holder or holders of the title to or of a legal
3 or equitable interest in residential, commercial or industrial
4 real estate. The term includes, but is not limited to, heirs,
5 assigns, trustees, beneficiaries and lessees, provided this
6 ownership interest is a matter of public record.

7 ~~"Party in interest." Any person or entity who has a direct~~ <—
8 ~~and immediate interest in residential, commercial or industrial~~
9 ~~real estate, including:~~

10 ~~(1) The owner or owners.~~

11 ~~(2) Any lienholder and other secured creditors of the~~
12 ~~owner.~~

13 ~~(3) A person who resides or owns a business which is~~
14 ~~located within 500 feet of the real estate.~~

15 ~~(4) A nonprofit corporation carrying out community~~
16 ~~development activities within the municipality where the~~
17 ~~building is located, including, but not limited to, a~~
18 ~~redevelopment authority.~~

19 ~~(5) A municipality in which the real estate is located.~~

20 "Property maintenance code." A municipal ordinance which
21 regulates the maintenance or development of real property. The
22 term includes, but is not limited to, building codes, housing
23 codes and public safety codes.

24 "Property maintenance code violation." A violation of a
25 municipal property maintenance code.

26 "Public nuisance." Property which, because of its physical
27 condition or use, is regarded as a public nuisance at common law
28 or has been declared BY THE APPROPRIATE OFFICIAL a public <—
29 nuisance in accordance with the local housing, building, health,
30 fire or related code.

1 "Registry." The Property Maintenance Code Violations
2 Registry established under this chapter.

3 "Residential building." A building or structure containing
4 one or more dwelling units and the land appurtenant to it.

5 "Serious violation." A violation of a housing, building,
6 property maintenance or fire safety code that poses an immediate
7 threat to the health and safety of a dwelling occupant,
8 occupants in surrounding structures or passersby.

9 "Substantial step." An affirmative action on the part of a
10 property owner or managing agent, as determined by the
11 municipality, to remedy a violation of a housing, building,
12 property maintenance or fire safety code, including, but not
13 limited to, physical improvements or reparations to the
14 property.

15 "Tax delinquent property." Tax delinquent real property as
16 defined under the act of July 7, 1947 (P.L.1368, No.542), known
17 as the Real Estate Tax Sale Law, located in any municipality in
18 this Commonwealth.

19 SUBCHAPTER B

20 ACTIONS AGAINST OWNER OF BLIGHTED PROPERTY

21 Sec.

22 6111. Building, housing and health code violations.

23 6112. Actions.

24 6113. Asset attachment.

25 6114. Duty of out-of-State owners of real estate in this
26 Commonwealth.

27 6115. ~~Duty of corporate~~ CORPORATE owners.

28 § 6111. Building, housing and health code violations.

29 (a) Cause of action.--Where a building, structure,
30 landscaping or land is or is proposed to be erected,

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1 constructed, reconstructed, altered, converted, maintained or
2 used in violation of any building, housing or health ordinance
3 enacted pursuant to law by a municipality, the governing body of
4 the municipality or, with the approval of the governing body, an
5 officer of the municipality, or an aggrieved owner or tenant of
6 real property who shows that his property or person will be
7 substantially affected by the alleged violation, in addition to
8 other remedies, may institute an action or proceeding to
9 prevent, restrain, correct or abate such building, structure,
10 landscaping or land or to prevent, in or about such premises,
11 any act, conduct, business or use constituting a violation. When
12 any such action is instituted by a landowner or tenant, notice
13 of the action shall be served upon the municipality at least 30
14 days prior to the time the action is begun by serving a copy of
15 the complaint on the governing body of the municipality. No such
16 action may be maintained until such notice has been given.

17 (b) Jurisdiction.--Except as provided under 42 Pa.C.S. §
18 1143(a)(3) (relating to jurisdiction and venue), magisterial
19 district judges shall have jurisdiction of actions instituted
20 pursuant to this section.

21 § 6112. Actions.

22 In addition to other remedies, a municipality may institute
23 the following actions against the legal owner or owner of record
24 of any building, housing or land in serious violation of an
25 ordinance regarding a building or housing code:

26 (1) An in personam action may be initiated for a
27 continuing violation for which the legal owner of record
28 takes no substantial step to correct within 60 days following
29 notification of any violation.

30 (2) An action against an owner of record shall be for an

1 amount equal to any penalties imposed against the owner and
2 for the amount expended by the municipality to abate the
3 violation.

4 (3) A proceeding in equity.

5 § 6113. Asset attachment.

6 A lien may be placed against the assets of an owner of
7 unremediated blighted real property after a legal action
8 initiated under section 6112 (relating to actions) is concluded
9 with a finding against the legal owner or owner of record of the
10 property.

11 § 6114. Duty of out-of-State owners of real estate in this
12 Commonwealth.

13 A person who lives or has a principal place of residence
14 outside this Commonwealth, who owns real estate in this
15 Commonwealth against which municipal housing code violations
16 have been cited under 18 Pa.C.S. § 7510 (relating to municipal
17 housing code avoidance), and who has been properly notified of
18 the violations may be extradited to this Commonwealth to face
19 criminal prosecution.

20 ~~§ 6115. Duty of corporate owners.~~ <—

21 ~~(a) Means of identification. A deed or other instrument of~~
22 ~~writing involving transfer of title to a corporate owner or~~
23 ~~corporate officer shall include an attachment setting forth the~~
24 ~~name and address of each officer of the corporation and a~~
25 ~~photographic copy of the current driver's license or other photo~~
26 ~~identification from the state in which anyone who is an officer~~
27 ~~of the corporation is licensed to drive.~~

28 ~~(b) Means of service. Mailing a notice or citation for any~~

29 § 6115. CORPORATE OWNERS. <—

30 MAILING A NOTICE OR CITATION FOR ANY property maintenance

code violation for any property owned by a corporation to the
mailing address of any corporate officer USED FOR TAX COLLECTION
PURPOSES shall constitute good service by the municipality.

SUBCHAPTER C

RESPONSIBILITIES OF MORTGAGE LENDERS

Sec.

6121. Business or commercial mortgages.

6122. Code compliance.

6123. Residential mortgages.

§ 6121. Business or commercial mortgages.

This subchapter shall apply to mortgage loans made for
residential, business or commercial purposes.

§ 6122. Code compliance.

(a) Liability assumed.--~~Thirty~~ SIXTY days following the
foreclosure of a building due to the owner of record's default
on a mortgage loan, the mortgage lender or Federal insurer in
possession of the building shall assume legal responsibility and
liability as the owner of record for all exterior municipal
housing, building and property maintenance code requirements
representing the following:

(1) Serious violations.

(2) Violations which contribute to blight in a
neighborhood due to their negative effect on the aesthetic
appearance of the structure or the neighborhood.

(b) Time period.--The time period provided for under
subsection (a) shall be extended to 120 days following the
foreclosure of a property due to the owner of record's default
on a mortgage loan in cases where the mortgage lender or Federal
insurer has executed a contract to sell the property in
question.

1 § 6123. Residential mortgages.

2 Entities that may grant or insure residential mortgages or
3 participate in related activities for purposes of this
4 subchapter shall include, but not be limited to, the following:

5 (1) A State-chartered bank, bank and trust company,
6 savings bank, private bank or national bank, a federally
7 chartered or State-chartered savings and loan association, a
8 federally chartered savings bank or a federally chartered or
9 State-chartered credit union.

10 (2) An attorney authorized to practice law in this
11 Commonwealth who acts as a mortgage broker in negotiating or
12 placing a mortgage loan in the normal course of legal
13 practice.

14 (3) A person licensed under the act of February 19, 1980
15 (P.L.15, No.9), known as the Real Estate Licensing and
16 Registration Act, who is principally engaged in a third-party
17 real estate brokerage business, but only to the extent that
18 the person provides information, verbal or written, to or
19 negotiates or places a mortgage loan for a buyer of real
20 estate and is not compensated by the buyer or any other
21 person for providing such information or negotiating or
22 placing such mortgage loan. If the person is compensated for
23 providing the information or negotiating or placing a
24 mortgage loan, the person shall be subject to sections 308,
25 310, 311 and 314(b) of the act of December 22, 1989 (P.L.687,
26 No.90), known as the Mortgage Bankers and Brokers and
27 Consumer Equity Protection Act.

28 (4) A seller of a dwelling if the person has resided in
29 the dwelling at least one year and as part of the purchase
30 price receives a first mortgage executed by the purchaser.

1 (5) A person who either originates or negotiates fewer
2 than 12 mortgage loans in a calendar year in this
3 Commonwealth.

4 (6) Builders, when obtaining mortgages for their own
5 construction or for the sale of their own construction.

6 (7) An agency or instrumentality of the Federal
7 Government or a corporation otherwise created by an act of
8 Congress, including, but not limited to, the Federal National
9 Mortgage Association, the Department of Veterans Affairs, the
10 Federal Home Loan Mortgage Corporation and the Federal
11 Housing Administration.

12 (8) The Pennsylvania Housing Finance Agency.

13 (9) A licensee under the act of April 8, 1937 (P.L.262,
14 No.66), known as the Consumer Discount Company Act, except
15 that a licensee who makes a mortgage loan other than under
16 the provisions of the Consumer Discount Company Act shall be
17 subject to the provisions of sections 304(b)(2) and (3), 308,
18 310 and 314(b) of the Mortgage Bankers and Brokers and
19 Consumer Equity Protection Act, excluding section 308(a)(1).

20 (10) Except for a licensee described under paragraph
21 (9), a subsidiary or affiliate of the following institutions:

22 (i) State-chartered banks, bank and trust companies,
23 savings banks, private banks, savings and loan
24 associations and credit unions.

25 (ii) National banks.

26 (iii) Federally chartered savings and loans
27 associations.

28 (iv) Federally chartered savings banks.

29 (v) Federally chartered credit unions.

30 A subsidiary or affiliate set forth under this paragraph

1 shall be subject to the provisions of sections 308,
2 309(a)(3), 310 and 314(b) of the Mortgage Bankers and Brokers
3 and Consumer Equity Protection Act, excluding section
4 308(a)(1), and shall deliver annually to the Department of
5 Banking copies of financial reports made to all supervisory
6 agencies.

7 (11) An employee of a licensee or a person designated to
8 act on behalf of his employer.

9 (12) An insurance company, association or exchange
10 authorized to transact business in this Commonwealth under
11 the act of May 17, 1921 (P.L.682, No.284), known as The
12 Insurance Company Law of 1921, and any subsidiaries and
13 affiliates thereof. A subsidiary or affiliate shall:

14 (i) be subject to the provisions of sections 308,
15 309(a)(3), 310 and 314(b) of the Mortgage Bankers and
16 Brokers and Consumer Equity Protection Act, excluding
17 section 308(a)(1); and

18 (ii) deliver annually to the Insurance Department
19 copies of financial reports made to all supervisory
20 agencies.

21 SUBCHAPTER D

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22 CONSERVATORSHIP

23 Sec.

24 ~~6131. Initiation of action.~~

25 ~~6132. Appointment of conservator.~~

26 ~~6133. Powers and duties of conservator.~~

27 ~~6134. Ownership of property.~~

28 ~~6135. Incurring indebtedness.~~

29 ~~6136. Sale of property.~~

30 ~~6137. Termination of conservatorship.~~

~~§ 6131. Initiation of action.~~

~~(a) Filing of petition. A petition for the appointment of a conservator to take possession and to undertake the rehabilitation of a building may be filed by a party in interest in a court in the county in which the building is located.~~

~~(b) Contents. The petition submitted to the court shall include a concise statement of the reasons a conservator should be appointed and, to the extent available to the petitioner:~~

~~(1) A copy of any citation charging the owner with being in violation of municipal code requirements or declaring the building to be a public nuisance.~~

~~(2) A recommendation as to which person or entity should be appointed conservator.~~

~~(3) A preliminary plan with initial cost estimates for rehabilitation of the building to bring it into compliance with all municipal codes and duly adopted plans for the area in which the building is located and anticipated funding sources.~~

~~(c) Notification of owner and lienholders.~~

~~(1) Upon filing the petition with the court, the petitioner shall notify the current owner of the property and all lienholders of the filing by registered or certified mail to the last known address of each and by posting a copy of the notice on the building.~~

~~(2) In the event the registered or certified mail is returned with notation by the postal authorities that the recipient refused to accept the mail, the petitioner may mail a copy to the recipient at the same address by ordinary mail with the return address of the petitioner appearing thereon.~~

~~(3) Service by ordinary mail shall be presumed complete~~

~~if the mail is not returned to the petitioner within 15 days after mailing.~~

~~(4) In the event the registered or certified mail is returned with the notation by the postal authorities that it was unclaimed, the notice shall be personally served.~~

~~(5) In the event that the personal service is not able to be made after two such attempts, the petitioner shall mail the petition to the recipient at the same address by ordinary mail with the return address of the petitioner appearing thereon with service by ordinary mail deemed complete if the mail is not returned to the petitioner within 15 days after the mailing.~~

~~(6) The petitioner shall also notify the owner and each lienholder of the hearing date and provide notice that the owner and lienholders may petition to intervene in the action.~~

~~§ 6132. Appointment of conservator.~~

~~(a) General rule. The court shall act upon a petition submitted by holding a hearing within 90 days of receipt of the petition and rendering a decision no later than 30 days after completion of the hearing.~~

~~(b) Intervention. Subject to the court's discretion, a party in interest may intervene in the proceeding and be heard with respect to the petition, the requested relief or any other matter which may come before the court in connection with the proceeding.~~

~~(c) Hearing. At the hearing, any party in interest shall be permitted to present evidence to support or contest the petition.~~

~~(d) Conditions for conservatorship. If a petition is filed~~

~~under section 6131 (relating to initiation of action), the court may appoint a conservator if the building has not been legally occupied for at least the previous 12 months and has not been actively marketed during the 60 days prior to the date of the petition and the court finds at least two of the following:~~

~~(1) The building or physical structure is a public nuisance.~~

~~(2) The building is in need of substantial rehabilitation and no rehabilitation has taken place during the previous 12 months.~~

~~(3) The building is unfit for human habitation, occupancy or use.~~

~~(4) The condition and vacancy of the building materially increases the risk of fire to the building and to adjacent properties.~~

~~(5) The building is subject to unauthorized entry leading to potential health and safety hazards and:~~

~~(i) the owner has failed to take reasonable and necessary measures to secure the building; or~~

~~(ii) the municipality has secured the building in order to prevent such hazards after the owner has failed to do so.~~

~~(6) The property is an attractive nuisance to children, including, but not limited to, the presence of abandoned wells, shafts, basements, excavations and unsafe structures.~~

~~(7) The presence of vermin or the accumulation of debris, uncut vegetation or physical deterioration of the structure or grounds has created potential health and safety hazards and the owner has failed to take reasonable and necessary measures to remove the hazards.~~

~~(8) The dilapidated appearance or other condition of the building negatively affects the economic well being of residents and businesses in close proximity to the building, including decreases in property value and loss of business, and the owner has failed to take reasonable and necessary measures to remedy appearance or the condition.~~

~~(c) Appointment.~~

~~(1) If the court determines after a hearing that the property has met the conditions of subsection (d), the court may appoint a conservator and grant such other relief as may be just and appropriate.~~

~~(2) The court may appoint a nonprofit corporation or other competent entity. In appointing a conservator, the court shall consider any recommendations contained in the petition or otherwise presented by a party in interest.~~

~~(f) Conditional relief.~~

~~(1) If the court finds after a hearing that the conditions for conservatorship set forth under subsection (d) have been established, but the owner represents that the violations or nuisance or emergency condition will be abated in a reasonable period, the court may allow the owner to proceed to remedy the conditions.~~

~~(2) If the conditions set forth under paragraph (1) have been satisfied, the court shall enter an order providing that, in the event that the violations or nuisance or emergency conditions are not abated by the owner by a specific date or that other specified remedial activities have not occurred by a specific date or dates, an order granting the relief requested in the petition shall be entered.~~

~~(3) The court may also require the owner to post a bond in the amount of the repair costs estimated in the petition as a condition to retaining possession of the building.~~

~~(g) Hearing on conservator's final plan for abatement. At the time the court appoints a conservator, the court shall set a date for a hearing on the conservator's final plan for abatement to be held within 120 days.~~

~~(h) Conservator's lien. The conservator shall file a lien against the property in an amount based on the estimated costs to be incurred during the conservatorship. The lien amount may be adjusted from time to time.~~

~~(i) Immediate possession. The conservator shall promptly take possession of the building and other property subject to the conservatorship and shall immediately be authorized to exercise all powers of this act.~~

~~(j) Removal by court. A conservator may be removed by the court at any time upon the request of the conservator or upon a showing by a party to the action that the conservator is not carrying out its responsibilities under this chapter.~~

~~§ 6133. Powers and duties of conservator.~~

~~(a) Full powers and duties. The conservator shall have all powers and duties necessary or desirable, from time to time, for the efficient operation, management and improvement of the building in order to bring it into compliance with all municipal building and housing code requirements and to fulfill the conservator's responsibilities under this chapter. Such powers and duties shall include, but not be limited to, the power to:~~

~~(1) Take possession and control of the building, appurtenant land and any personal property of the owner used with respect to the building, including any bank or operating~~

~~account for the building.~~

~~(2) Collect outstanding accounts receivable.~~

~~(3) Pursue all claims or causes of action of the owner with respect to the building and all other property subject to the conservator.~~

~~(4) Contract for the repair and maintenance of the building. The contracts shall be appropriately documented and included in the reports and accounting which the conservator is required to submit or file under the provisions of this chapter.~~

~~(5) Borrow money and incur credit in accordance with section 6135 (relating to incurring indebtedness).~~

~~(6) Contract and pay for the maintenance and restoration of utilities to the building.~~

~~(7) Purchase materials, goods and supplies to accomplish repairs and operate the building.~~

~~(8) With the court's approval, enter into new rental contracts and leases for a period not to exceed one year.~~

~~(9) Affirm, renew or enter into contracts providing for insurance coverage on the building.~~

~~(10) Engage and pay legal, accounting, appraisal and other professionals to aid the conservator in the conduct of the conservatorship.~~

~~(11) Apply for and receive public grants or loans.~~

~~(12) Sell the building in accordance with section 6136 (relating to sale of property).~~

~~(13) Exercise all authority that an owner of the building would have to improve, maintain and otherwise manage the building.~~

~~(b) Affirmative duty. While in possession of the building,~~

~~the conservator shall:~~

~~(1) Maintain, safeguard and insure the building.~~

~~(2) Apply all revenue generated from the building
consistent with the provisions of this chapter.~~

~~(3) Develop a final plan for abatement of the conditions
which caused the petition to be granted or, if no such
feasible final plan can be developed, develop alternatives,
including the closing, sealing or demolition of all or part
of the building.~~

~~(4) Implement the final plan referred to under paragraph
(3) upon approval by the court.~~

~~(5) Submit a status report to the court and parties to
the action annually or more frequently as the court may deem
appropriate. The status report shall include:~~

~~(i) A copy of any contract entered into by the
conservator regarding the improvement of the building.~~

~~(ii) An account of the disposition of all revenue
generated from the building.~~

~~(iii) An account of all expenses and improvements.~~

~~(iv) The status of developing and implementing the
final plan pursuant to this subsection.~~

~~(v) A description of any proposed actions to be
taken in the next six months to improve the building.~~

~~(c) Submission of final plan.~~

~~(1) The final plan referred to under subsection (b)(3)
shall be submitted to the court and to all parties to the
action.~~

~~(2) After notice and an opportunity for a hearing, the
court may amend the final plan.~~

~~(d) Accounting. Upon the implementation of the final plan~~

~~approved by the court, the conservator shall file with the court
a full accounting of all income and expenditures during the
period of time it took to implement the final plan.~~

~~§ 6134. Ownership of property.~~

~~(a) Ownership interest of conservator. A conservator
appointed under section 6132 (relating to appointment of
conservator) shall be deemed to have an ownership interest in
and legal control of the property for the purposes of filing
plans with public agencies and boards, seeking and obtaining
construction permits and other approvals and submitting
applications for financing or other assistance to public or
private entities.~~

~~(b) Liability of owner. Notwithstanding the appointment of
a conservator under section 6132, nothing in this chapter shall
be construed to relieve the owner of any civil or criminal
liability or of any obligation to pay taxes, municipal liens and
charges, mortgages, private liens or other fees or charges,
whether incurred before or after the appointment of the
conservator.~~

~~§ 6135. Incurring indebtedness.~~

~~(a) Borrowing. From time to time a conservator may borrow
money or incur indebtedness in order to cover the cost of
rehabilitation, improvement, preservation, insurance, management
or operation of the building or to otherwise fulfill the
conservator's obligations under this chapter.~~

~~(b) Liens. In order to facilitate the borrowing of funds
for the rehabilitation of the building, the court may grant a
lien or security interest with priority over all other liens
with the exception of municipal or other governmental liens,
provided, however, that prior to granting a priority lien, the~~

~~court has found that:~~

~~(1) The conservator sought to obtain the necessary financing from the senior lienholder, but the lienholder declined to provide financing on reasonable terms.~~

~~(2) Lien priority is necessary in order to induce another lender to provide financing on reasonable terms.~~

~~§ 6136. Sale of property.~~

~~(a) Sale by owner or lienholder. If a property subject to conservatorship is sold by the owner or foreclosed upon by a lienholder or if any interest in the property is transferred, such sale, foreclosure or transfer shall be subject to the conservatorship.~~

~~(b) Sale by conservator. Upon application of the conservator, the court may order the sale of the property if the court finds that:~~

~~(1) Notice was given to each record owner of the building and each lienholder of record.~~

~~(2) The conservator has been in control of the building for more than six months and the owner has not successfully petitioned to terminate the conservatorship under section 6137 (relating to termination of conservatorship).~~

~~(c) Sale free and clear.~~

~~(1) The court may authorize the conservator to sell the building free and clear of all liens, claims and encumbrances, provided that the proceeds of the sale are distributed pursuant to subsection (d) at settlement.~~

~~(2) In the event that the proceeds of the sale are insufficient to pay all existing liens, claims and encumbrances, the proceeds shall be distributed according to the priorities set forth under subsection (d), and all unpaid~~

~~liens, claims or encumbrances shall be extinguished.~~

~~(d) Distribution. The proceeds of the sale shall be applied in accordance with the following priorities to:~~

~~(1) All court costs.~~

~~(2) Municipal or other governmental liens.~~

~~(3) Costs and expenses of sale.~~

~~(4) Principal and interest on any borrowing or incurrence of indebtedness granted priority over existing liens and security interest under section 6135(b) (relating to incurring indebtedness).~~

~~(5) Costs of rehabilitation and any fees and expenses incurred by the conservator in connection with the sale or the safeguarding, insuring or maintaining of the property.~~

~~(6) Valid liens and security interests in accordance with their priority.~~

~~(7) Any unpaid obligations of the conservator.~~

~~(8) Costs incurred by the petitioner in requesting the court to place the property in conservatorship.~~

~~(9) The owner.~~

~~§ 6137. Termination of conservatorship.~~

~~Upon request of a party in interest or the conservator, the court may order the termination of the conservatorship if it determines:~~

~~(1) the conditions that were the grounds for the petition and all other code violations have been abated or corrected, the obligations, expenses and improvements of the conservatorship, including all fees and expenses of the conservator, have been fully paid or provided for and the purposes of the conservatorship have been fulfilled;~~

~~(2) the owner, mortgagee or lienholder has requested the~~

~~conservatorship be terminated and has provided adequate
assurances to the court that the conditions that constituted
grounds for the petition will be promptly abated, all
obligations, expenses and improvements of the
conservatorship, including all fees and expenses of the
conservator, have been fully paid or provided for and the
purposes of the conservatorship have been fulfilled;~~

~~(3) the building has been sold by the conservator and
the proceeds distributed in accordance with section 6136(d)
(relating to sale of property); or~~

~~(4) the conservator has been unable after diligent
effort to present a plan that could be approved under section
6133(b)(3) (relating to powers and duties of conservator) or
implement a previously approved plan or, for any reason, the
purposes of the conservatorship cannot be fulfilled.~~

SUBCHAPTER E D

STATE AND LOCAL GOVERNMENT PERMIT DENIALS

Sec.

6141. State permit denials.

6142. Municipal permit denial.

§ 6141. State permit denials.

~~(a) General rule. A department, board or commission may
deny an applicant a State permit, certification, license or
approval for contemplated action requiring such approval, if the
applicant owns any real property in this Commonwealth and any of
the following apply:~~

~~(1) The applicant owns real property in a municipality
for which taxes, water or sewer or refuse collection charges
are delinquent.~~

~~(2) The applicant owns real property in this~~

~~Commonwealth that has been determined to be in serious violation of applicable State or municipal housing, building, property maintenance or fire safety code requirements and has not taken substantial steps to bring the property into code compliance.~~

~~(3) The real property is in violation of an applicable State or municipal housing, building, property maintenance or fire safety code requirement and the property owner has taken no substantial steps to correct within 60 days following notification of the violation.~~

~~(A) DENIAL.--~~

<—

~~(1) A DEPARTMENT, BOARD OR COMMISSION MAY DENY AN APPLICANT A STATE PERMIT, CERTIFICATION, LICENSE OR APPROVAL FOR CONTEMPLATED ACTION REQUIRING SUCH APPROVAL, IF THE APPLICANT OWNS ANY REAL PROPERTY IN THIS COMMONWEALTH AND ANY OF THE FOLLOWING FINAL AND UNAPPEALABLE TAX, WATER, SEWER OR REFUSE COLLECTION DELINQUENCIES OR CODE VIOLATIONS APPLY:~~

~~(I) THE APPLICANT OWNS REAL PROPERTY IN A MUNICIPALITY FOR WHICH TAXES, WATER, SEWER OR REFUSE COLLECTION CHARGES ARE DELINQUENT.~~

~~(II) THE APPLICANT OWNS REAL PROPERTY IN THIS COMMONWEALTH THAT HAS BEEN DETERMINED TO BE IN SERIOUS VIOLATION OF APPLICABLE STATE OR MUNICIPAL HOUSING, BUILDING, PROPERTY MAINTENANCE OR FIRE SAFETY CODE REQUIREMENTS AND HAS NOT TAKEN SUBSTANTIAL STEPS TO BRING THE PROPERTY INTO CODE COMPLIANCE.~~

~~(III) THE REAL PROPERTY IS IN VIOLATION OF AN APPLICABLE STATE OR MUNICIPAL HOUSING, BUILDING, PROPERTY MAINTENANCE OR FIRE SAFETY CODE REQUIREMENT AND THE PROPERTY OWNER HAS TAKEN NO SUBSTANTIAL STEPS TO CORRECT~~

1 WITHIN 60 DAYS FOLLOWING NOTIFICATION OF THE VIOLATION.

2 (2) THE STATE PERMIT DENIAL SHALL NOT APPLY TO AN
3 APPLICANT'S ACTION TO CORRECT A VIOLATION OF AN APPLICABLE
4 STATE OR MUNICIPAL HOUSING, BUILDING, PROPERTY MAINTENANCE OR
5 FIRE SAFETY CODE FOR WHICH THE STATE PERMIT, CERTIFICATION,
6 LICENSE OR APPROVAL FOR CONTEMPLATED ACTION REQUIRING SUCH
7 APPROVAL IS REQUIRED.

8 (3) THE STATE PERMIT DENIAL SHALL NOT APPLY TO AN
9 APPLICANT'S DELINQUENCY ON TAXES, WATER, SEWER OR REFUSE
10 COLLECTION CHARGES THAT ARE UNDER APPEAL OR OTHERWISE
11 CONTESTED THROUGH A COURT OR ADMINISTRATIVE PROCESS.

12 (b) Proof of compliance.--

13 (1) A State permit, certification, license or approval
14 may be withheld until the applicant obtains a letter from the
15 appropriate State agency, municipality or school district
16 which indicates the following:

17 (i) The property in question is not presently tax
18 delinquent or does not owe sewer, water or refuse
19 collection charges.

20 (ii) The property in question is now in code
21 compliance.

22 (iii) The property owner of the property in question
23 has taken substantial steps to bring the property into
24 code compliance.

25 (2) Letters required under this subsection shall be
26 verified by the appropriate State officials before the
27 official may issue the applicant a State permit,
28 certification, license or approval.

29 (c) Availability of information.--Information contained in
30 the property maintenance code violation report shall be subject

1 to the provisions of the act of February 14, 2008 (P.L. ,
2 No.3), known as the Right-to-Know Law.

3 § 6142. Municipal permit denial.

4 ~~(a) Denial. A municipality may deny issuing to an applicant~~ <—
5 ~~a building permit, zoning permit, zoning variance, municipal~~
6 ~~license, municipal permit or municipal approval for contemplated~~
7 ~~action that requires the approval of the municipality, if any of~~
8 ~~the following apply:~~

9 ~~(1) The applicant owns real property in any municipality~~
10 ~~for which taxes or water, sewer or refuse collection charges~~
11 ~~are delinquent.~~

12 ~~(2) The applicant owns any property in any municipality~~
13 ~~that has been determined to be in serious violation of~~
14 ~~applicable State or municipal housing, building, property~~
15 ~~maintenance or fire safety code requirements and has not~~
16 ~~taken substantial steps to bring the property into code~~
17 ~~compliance.~~

18 ~~(3) The applicant owns any property in any municipality~~
19 ~~which is in violation of an applicable State or municipal~~
20 ~~housing, building, property maintenance or fire safety code~~
21 ~~requirement and has taken no substantial steps to correct the~~
22 ~~violation within six months following notification of the~~
23 ~~violation.~~

24 (A) DENIAL.-- <—

25 (1) A MUNICIPALITY MAY DENY ISSUING TO AN APPLICANT A
26 BUILDING PERMIT, ZONING PERMIT, ZONING VARIANCE, MUNICIPAL
27 LICENSE, MUNICIPAL PERMIT OR MUNICIPAL APPROVAL FOR
28 CONTEMPLATED ACTION THAT REQUIRES THE APPROVAL OF THE
29 MUNICIPALITY, IF ANY OF THE FOLLOWING FINAL AND UNAPPEALABLE
30 TAX, WATER, SEWER OR REFUSE COLLECTION DELINQUENCIES OR CODE

1 VIOLATIONS APPLY:

2 (I) THE APPLICANT OWNS REAL PROPERTY IN ANY
3 MUNICIPALITY FOR WHICH TAXES, WATER, SEWER OR REFUSE
4 COLLECTION CHARGES ARE DELINQUENT.

5 (II) THE APPLICANT OWNS REAL PROPERTY IN ANY
6 MUNICIPALITY THAT HAS BEEN DETERMINED TO BE IN SERIOUS
7 VIOLATION OF APPLICABLE STATE OR MUNICIPAL HOUSING,
8 BUILDING, PROPERTY MAINTENANCE OR FIRE SAFETY CODE
9 REQUIREMENTS AND HAS NOT TAKEN SUBSTANTIAL STEPS TO BRING
10 THE PROPERTY INTO CODE COMPLIANCE.

11 (III) THE APPLICANT OWNS ANY PROPERTY IN ANY
12 MUNICIPALITY WHICH IS IN VIOLATION OF AN APPLICABLE STATE
13 OR MUNICIPAL HOUSING, BUILDING, PROPERTY MAINTENANCE OR
14 FIRE SAFETY CODE REQUIREMENT AND HAS TAKEN NO SUBSTANTIAL
15 STEPS TO CORRECT WITHIN SIX MONTHS FOLLOWING NOTIFICATION
16 OF THE VIOLATION.

17 (2) THE MUNICIPAL PERMIT DENIAL SHALL NOT APPLY TO AN
18 APPLICANT'S ACTION TO CORRECT A VIOLATION OF AN APPLICABLE
19 STATE OR MUNICIPAL HOUSING, BUILDING, PROPERTY MAINTENANCE OR
20 FIRE SAFETY CODE FOR WHICH THE BUILDING PERMIT, ZONING
21 PERMIT, ZONING VARIANCE, MUNICIPAL LICENSE, MUNICIPAL PERMIT
22 OR MUNICIPAL APPROVAL FOR CONTEMPLATED ACTION REQUIRING SUCH
23 APPROVAL IS REQUIRED.

24 (3) THE MUNICIPAL PERMIT DENIAL SHALL NOT APPLY TO AN
25 APPLICANT'S DELINQUENCY ON TAXES, WATER, SEWER OR REFUSE
26 COLLECTION CHARGES THAT ARE UNDER APPEAL OR OTHERWISE
27 CONTESTED THROUGH A COURT OR ADMINISTRATIVE PROCESS.

28 (b) Proof of compliance.--

29 (1) All municipal variances, approvals, permits or
30 licenses may be withheld until an applicant obtains a letter

1 from the appropriate State agency, municipality or school
2 district indicating the following:

3 (i) The property in question is not presently tax
4 delinquent.

5 (ii) The property in question is now in code
6 compliance.

7 (iii) The owner of the property in question has
8 taken substantial steps to bring the property into code
9 compliance.

10 (2) Letters required under this subsection shall be
11 verified by the appropriate municipal officials before
12 issuing to the applicant a municipal variance, approval,
13 permit or license.

14 SUBCHAPTER F E

<—

15 STATE BLIGHT DATA COLLECTION SYSTEM

16 Sec.

17 6151. Property Maintenance Code Violations Registry.

18 6152. Property maintenance code violation reports.

19 6153. Dissemination of information by department.

20 6154. Expungement.

21 6155. Administrative requirements.

22 6156. Audit.

23 6157. Imposition of surcharge.

24 § 6151. Property Maintenance Code Violations Registry.

25 (a) Establishment.--The Property Maintenance Code Violations
26 Registry is hereby established. The department shall implement
27 and administer the registry.

28 (b) Purpose.--The registry shall contain property
29 maintenance code violation reports filed by municipalities under
30 section 6152 (relating to property maintenance code violation

1 reports).

2 § 6152. Property maintenance code violation reports.

3 (a) Municipalities to file.--A municipality shall file a
4 property maintenance code violation report for any person who
5 owns real property within that municipality with current
6 property maintenance code violations that have gone unabated for
7 90 days or more.

8 (b) Forms provided.--Property maintenance code violation
9 reports may be made on forms provided by the department or may
10 be made electronically.

11 (c) Information included.--Property maintenance code
12 violation reports shall include the following information:

13 (1) The name of the convicted property maintenance code
14 violator.

15 (2) Where owned by a corporation, the information on
16 record at the Department of Transportation in connection with
17 the individual drivers' licenses for each officer of the
18 corporation.

19 (3) The legal description of the real property which is
20 in violation of the municipal property maintenance code.

21 (4) A description of the condition of the real property
22 which resulted in the property maintenance code violation.

23 (5) The date of the original property maintenance code
24 violation.

25 (6) The amount of penalties owed or liens attached to
26 the property with maintenance code violations.

27 (7) The name of the municipality filing the report.

28 (d) Duty of municipality.--A municipality that files a
29 property maintenance code violation report shall follow the
30 guidelines for expungement under section 6154 (relating to

1 expungement).

2 § 6153. Dissemination of information by department.

3 (a) Availability of information.--Information contained in
4 the property maintenance code violation report shall be subject
5 to the provisions of the act of February 14, 2008 (P.L. ,
6 No.3), known as the Right-to-Know Law.

7 (b) Requests by municipalities.--

8 (1) Municipalities may request a copy of a property
9 maintenance code violation report on any pending applicant
10 for a municipal permit by submitting a property maintenance
11 code violation report request form to the department or
12 requesting the form electronically.

13 (2) The department shall disseminate all property
14 maintenance code violation reports relating to a municipal
15 permit applicant to the requesting municipality within two
16 weeks of receipt of a property maintenance code violation
17 report request from that municipality.

18 (3) The municipality shall notify an applicant in
19 writing of the reasons for a decision which denies the
20 applicant a municipal permit if the decision is based in
21 whole or in part on information contained in the Property
22 Maintenance Code Violations Registry.

23 (c) Requests by Commonwealth.--

24 (1) Commonwealth agencies may request a copy of any
25 property maintenance code violation report on any pending
26 applicant for licensing or certification by submitting a
27 property maintenance code violation report request form to
28 the department or requesting the form electronically.

29 (2) The department shall disseminate all property
30 maintenance code violation reports relating to a State

1 license or certification applicant to a requesting
2 Commonwealth agency within two weeks of receipt of a property
3 maintenance code violation report request from the agency.

4 (3) The Commonwealth agency shall notify an applicant in
5 writing of the reasons for a decision which denies the
6 licensing or certification requested by that applicant if the
7 decision is based in whole or in part on information
8 contained in the Property Maintenance Code Violations
9 Registry.

10 (d) Hearing.--If requested by an applicant, a hearing shall
11 be scheduled to appeal a decision made as a result of municipal
12 property maintenance code violation convictions under subsection
13 (b)(3) or (c)(3). If the applicant can show cause why the
14 municipal property maintenance code violation convictions should
15 not be considered, the State shall reevaluate any request by the
16 applicant for a State license or certification, and the
17 municipality shall likewise reevaluate any request by the
18 applicant for a municipal permit.

19 (e) Record of dissemination.--The department shall maintain
20 a listing of Commonwealth agencies and all municipalities that
21 have requested information on a particular real property owner
22 and the date on which the information was disseminated. This
23 listing shall be maintained separate from the registry.

24 (f) Fee.--There shall be no fee assessed for the
25 dissemination of property maintenance code violation
26 information.

27 § 6154. Expungement.

28 A municipality that files a report with the department shall
29 subsequently notify the department when the real property is
30 brought into code compliance. Upon notification by the

1 municipality, the department shall include the information as
2 part of the official record for the specific property and
3 violator.

4 § 6155. Administrative requirements.

5 (a) Regulations.--The department shall establish procedures
6 for the completeness and accuracy of information in the registry
7 and shall promulgate the regulations necessary to carry out its
8 duty of maintaining the registry.

9 (b) Forms.--The department shall develop property
10 maintenance code violation report forms and property maintenance
11 code violation report request forms, as well as procedures to
12 obtain the information electronically.

13 (c) Security requirements.--The department shall ensure the
14 confidentiality and security of the information contained in the
15 registry by providing that:

16 (1) Procedures have been instituted to reasonably
17 protect the registry from theft, fire, sabotage, flood, wind
18 or other natural or manmade disasters.

19 (2) All personnel authorized to have access to registry
20 information are selected, supervised and trained accordingly.

21 § 6156. Audit.

22 (a) Duty of Auditor General.--The Auditor General shall
23 conduct annual performance audits of registry operations.

24 (b) Access to records.--The department shall provide
25 auditors with access to all records, reports and listings
26 required to conduct an audit of property maintenance code
27 violations record information. Persons having supervision of or
28 authorized to receive registry information shall cooperate with
29 auditors and provide requested information.

30 (c) Contents of audit.--The audit shall report in writing

1 any deficiencies and any recommendations for correcting the
2 deficiencies. The department shall respond to the audit
3 recommendations within a reasonable period of time unless the
4 audit report is appealed to the Auditor General and the appeal
5 is upheld.

6 (d) Modification of recommendations.--Upon appeal of the
7 audit recommendations by the department, the Auditor General may
8 modify corrective measures recommended by auditors.

9 § 6157. Imposition of surcharge.

10 There is imposed on each property owner who is in violation
11 of a municipal property maintenance code a surcharge in the
12 amount of \$100 for each INSPECTION BY A LOCAL CODES OFFICIAL <—
13 THAT REVEALS ONE OR MORE municipal property maintenance code
14 violation. This surcharge shall be in addition to any other
15 applicable fees or charges lawfully collected by the
16 municipality and court. The municipality shall collect the
17 surcharge and remit all funds to the department on a quarterly
18 basis. Funds generated by the surcharge shall be used to finance
19 the Statewide implementation of the Property Maintenance Code
20 Violations Registry and to conduct training of the judiciary in
21 accordance with section 6192 (relating to education and training
22 programs for judges).

23 SUBCHAPTER G F <—

24 GRANTS

25 Sec.

26 6161. Municipal Code Enforcement Grant Program.

27 6162. Regulations.

28 § 6161. Municipal Code Enforcement Grant Program.

29 (a) Establishment.--The department shall issue grants to
30 eligible municipalities for the purpose of reducing blighted

1 property conditions.

2 (b) Purpose.--The purpose of the Municipal Code Enforcement
3 Grant Program is to encourage the establishment of special code
4 enforcement programs to address blighted property and the hiring
5 and training of code enforcement personnel in those
6 municipalities with an existing code enforcement program.

7 (c) Eligibility.--In order to receive a grant under this
8 subchapter, a municipality must submit an application to the
9 department and satisfy the eligibility criteria established by
10 the department.

11 (d) Matching funds.--A municipality shall provide its own
12 funds or in-kind contributions, approved by the department as
13 determined by regulations promulgated by the department under
14 section 6162 (relating to regulations) equal to the amount of
15 the grant provided and shall dedicate and expend those funds for
16 the purpose for which the grant was awarded.

17 (e) Limitation.--Grants provided under this section shall
18 not be provided to the same recipient for more than three
19 consecutive years.

20 § 6162. Regulations.

21 Within 90 days following the effective date of this
22 subchapter, the department shall promulgate rules and
23 regulations to carry out the provisions of this subchapter. The
24 regulations to implement section 6161(b) (relating to Municipal
25 Code Enforcement Grant Program) may include, but not be limited
26 to:

27 (1) The age of the existing housing in the municipality.

28 (2) The municipality's existing tax base.

29 (3) The existing financial condition of the
30 municipality.

SUBCHAPTER H

<—

SALE OF BLIGHTED AND ABANDONED PROPERTIES

Sec.

6165. Applicability.

6166. Tax sales.

6167. Requirements for purchaser of abandoned property.

§ 6165. Applicability.

The provisions of this subchapter shall be in addition to the provisions of the act of July 7, 1947 (P.L.1368, No.542), known as the Real Estate Tax Sale Law. If there is a conflicting provision, this subchapter and not the Real Estate Tax Sale Law shall prevail where the tax sale affects blighted or abandoned property.

§ 6166. Tax sales.

(a) Publication of tax sale properties. At least 60 days prior to the date scheduled for a tax sale, the county shall make public a list of properties to be offered at the sale. The county shall provide a copy of the list to the mayor, or comparable municipal official, of any municipality in which property scheduled for sale is located.

(b) Notification about abandoned properties. Within 30 days following receipt of the list, the municipality shall notify the county of any properties within its jurisdiction which are abandoned properties. Not less than 15 days prior to the scheduled tax sale, the county shall make public a revised list of properties to be offered for sale indicating which are abandoned.

§ 6167. Requirements for purchaser of abandoned property.

In addition to requirements under the act of May 16, 1923 (P.L.207, No.153), referred to as the Municipal Claim and Tax

~~Lien Law, the act of July 7, 1947 (P.L.1368, No.542), known as the Real Estate Tax Sale Law, or the act of October 11, 1984 (P.L.876, No.171), known as the Second Class City Treasurer's Sale and Collection Act, a purchaser of an abandoned property shall:~~

~~(1) Enter into a redevelopment agreement with the municipality in which the property is located, obligating the purchaser to redevelop the property in accordance with all municipal codes and any officially adopted plans for the geographic area in which the property is located. The redevelopment agreement shall include, at a minimum:~~

~~(i) A specified time by which the redevelopment must be completed, which time shall not be less than 12 months.~~

~~(ii) A description of the redevelopment work to be completed.~~

~~(iii) Remedies for noncompliance, including the right of the municipality to acquire title to the property if the redevelopment is not completed by the agreed upon date.~~

~~(2) Post a bond to ensure compliance with the redevelopment agreement, naming the municipality as the beneficiary.~~

SUBCHAPTER I G

MISCELLANEOUS PROVISIONS

Sec.

6191. Unfair insurance practices.

6192. Education and training programs for judges.

6193. County housing courts.

§ 6191. Unfair insurance practices.

1 In addition to the provisions of section 5 of the act of July
2 22, 1974 (P.L.589, No.205), known as the Unfair Insurance
3 Practices Act, the act of refusing to issue or renew an
4 insurance policy on real property on the basis of the condition
5 of surrounding properties or because surrounding properties are
6 unoccupied is prohibited as an unfair method of competition and
7 unfair insurance practices.

8 § 6192. Education and training programs for judges.

9 Funds provided under section 6157 (relating to imposition of
10 surcharge) shall be used to develop and implement annual and
11 ongoing education and training programs for judges, including
12 magisterial district judges, regarding the laws of this
13 Commonwealth relating to blighted and abandoned property and the
14 economic impact that blighted and abandoned properties have upon
15 municipalities. The education and training programs shall
16 include, but not be limited to:

17 (1) The importance and connection of municipal housing
18 code violations and crime.

19 (2) Time-in-fact violations as they relate to property
20 maintenance code violations.

21 (3) Conduct of witnesses in prosecuting property
22 maintenance code violations.

23 (4) Limiting continuances in property maintenance code
24 violations.

25 (5) Use of indigency hearings in the prosecution of
26 property maintenance code violations.

27 § 6193. County housing courts.

28 Upon a request or approval of a resolution by the county
29 commissioners, the president judge of a county may establish a
30 housing court to hear and decide matters arising under this

1 chapter and other laws relating to real property matters.

2 Section 2. This act shall take effect in 90 days.