THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 415 Session of 2011

INTRODUCED BY WAGNER, K. BOYLE, CALTAGIRONE, D. COSTA, DAVIS, FABRIZIO, GOODMAN, KULA, LONGIETTI, MANN, MATZIE, MULLERY, MUNDY, MURPHY, M. O'BRIEN, PYLE, READSHAW, K. SMITH, STURLA, SWANGER, YOUNGBLOOD AND DAVIDSON, FEBRUARY 3, 2011

AS REPORTED FROM COMMITTEE ON URBAN AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, NOVEMBER 2, 2011

AN ACT

1	Amending the act of April 6, 1951 (P.L.69, No.20), entitled "An 🖌
2	act relating to the rights, obligations and liabilities of
3	landlord and tenant and of parties dealing with them and
4	amending, revising, changing and consolidating the law-
5	relating thereto," adding a prohibition relating to assigning
6	rent rebates.
7	AMENDING THE ACT OF JUNE 27, 2006 (1ST SP.SESS., P.L.1873,
8	NO.1), ENTITLED "AN ACT PROVIDING FOR TAXATION BY SCHOOL
9	DISTRICTS, FOR THE STATE FUNDS FORMULA, FOR TAX RELIEF IN
10	FIRST CLASS CITIES, FOR SCHOOL DISTRICT CHOICE AND VOTER
11	PARTICIPATION, FOR OTHER SCHOOL DISTRICT OPTIONS AND FOR A
12	TASK FORCE ON SCHOOL COST REDUCTION; MAKING AN APPROPRIATION;
13	PROHIBITING PRIOR AUTHORIZED TAXATION; PROVIDING FOR
14	INSTALLMENT PAYMENT OF TAXES; RESTRICTING THE POWER OF
15	CERTAIN SCHOOL DISTRICTS TO LEVY, ASSESS AND COLLECT TAXES;
16	AND MAKING RELATED REPEALS," IN SENIOR CITIZEN PROPERTY TAX
17	AND RENT REBATE ASSISTANCE, PROHIBITING CERTAIN USE OF RENT
18	REBATES.
19	The General Assembly of the Commonwealth of Pennsylvania
20	hereby enacts as follows:
21	Section 1. The act of April 6, 1951 (P.L.69, No.20), known
22	as The Landlord and Tenant Act of 1951, is amended by adding a
23	section to read:
24	Section 203.1. Assignment of Rebate Prohibited. A landlord

1 and tenant shall not enter <u>into a</u> lease or agreement 2 pay any portion of any rebate payable under Chapter 13 of the 3 act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as 4 the Taxpayer Relief Act, to which the tenant may be entitled, to 5 or to the landlord's assignee landlord epresentatives. 6 SECTION 1. THE ACT OF JUNE 27, 2006 (1ST SP.SESS., P.L.1873, 7 NO.1), KNOWN AS THE TAXPAYER RELIEF ACT, IS AMENDED BY ADDING A 8 SECTION TO READ: 9 SECTION 1314. UNLAWFUL USE OF RENT REBATES. (A) GENERAL RULE. -- IT SHALL BE UNLAWFUL FOR A LANDLORD AND 10 TENANT TO ENTER INTO A LEASE OR AGREEMENT TO ASSIGN OR PAY ANY 11 PORTION OF ANY RENT REBATE IN LIEU OF PROPERTY TAXES TO WHICH 12 13 THE TENANT MAY BE ENTITLED TO THE LANDLORD OR TO THE LANDLORD'S ASSIGNEE OR REPRESENTATIVE. 14 15 (B) PENALTIES.--A LANDLORD WHO VIOLATES THIS SECTION SHALL: 16 (1) FULLY REIMBURSE THE TENANT OF ANY PORTION OF A 17 PAYMENT THAT WAS ASSIGNED OR OTHERWISE USED AS PAYMENT BY THE 18 TENANT TO THE LANDLORD IN VIOLATION OF THIS SECTION. (2) PAY TO THE DEPARTMENT A PENALTY EQUAL TO 25% OF THE 19 20 TOTAL AMOUNT OF THE PAYMENT TO WHICH THE TENANT WAS ENTITLED. THE PENALTY SHALL BEAR INTEREST AT THE RATE OF 1.5% PER MONTH 21 22 FROM THE DATE THE PAYMENT WAS ASSIGNED OR OTHERWISE USED AS 23 PAYMENT BY THE TENANT UNTIL THE PENALTY IS PAID IN FULL TO 24 THE DEPARTMENT. 25 (C) ENFORCEMENT.--THE ATTORNEY GENERAL SHALL ENFORCE THE 26 PROVISIONS OF THIS SECTION. 27 (D) DEFINITIONS.--THE FOLLOWING WORDS AND PHRASES WHEN USED 28 IN THIS SECTION SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS 29 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE: "LANDLORD." AN OWNER OF REAL PROPERTY WHO LEASES PROPERTY TO 30

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- 1 <u>A TENANT UNDER A LEASE AGREEMENT.</u>
- 2 <u>"TENANT." A PERSON WHO HAS A POSSESSORY INTEREST IN REAL</u>
- 3 PROPERTY UNDER A LEASE OR BY LAW.
- 4 Section 2. This act shall take effect in 60 days.