THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 775

Session of 2019

INTRODUCED BY ARGALL, BREWSTER, MENSCH AND J. WARD, JUNE 20, 2019

REFERRED TO URBAN AFFAIRS AND HOUSING, JUNE 20, 2019

AN ACT

Amending the act of July 7, 1947 (P.L.1368, No.542), entitled "An act amending, revising and consolidating the laws 2 3 relating to delinquent county, city, except of the first and second class and second class A, borough, town, township, school district, except of the first class and school 5 districts within cities of the second class A, and 6 institution district taxes, providing when, how and upon what property, and to what extent liens shall be allowed for such 7 8 taxes, the return and entering of claims therefor; the 9 10 collection and adjudication of such claims, sales of real property, including seated and unseated lands, subject to the 11 lien of such tax claims; the disposition of the proceeds 12 thereof, including State taxes and municipal claims recovered 13 and the redemption of property; providing for the discharge 14 15 and divestiture by certain tax sales of all estates in property and of mortgages and liens on such property, and the 16 proceedings therefor; creating a Tax Claim Bureau in each 17 county, except counties of the first and second class, to act 18 as agent for taxing districts; defining its powers and 19 20 duties, including sales of property, the management of property taken in sequestration, and the management, sale and 21 disposition of property heretofore sold to the county 22 23 commissioners, taxing districts and trustees at tax sales; providing a method for the service of process and notices; 24 imposing duties on taxing districts and their officers and on 25 tax collectors, and certain expenses on counties and for 26 their reimbursement by taxing districts; and repealing 27 existing laws," adding provisions relating to bidder 28 29 registration before sale; and, in sale of property, further 30 providing for date of sale, for repurchase by owner, for 31 restrictions on purchases and for sale of property in repository. 32

The General Assembly of the Commonwealth of Pennsylvania

33

- 1 hereby enacts as follows:
- 2 Section 1. The act of July 7, 1947 (P.L.1368, No.542), known
- 3 as the Real Estate Tax Sale Law, is amended by adding an article
- 4 to read:
- 5 ARTICLE V-A
- 6 BIDDER REGISTRATION BEFORE SALE
- 7 <u>Section 501-A.</u> Duty to register.
- 8 (a) General rule. -- A person that intends to bid at a
- 9 <u>scheduled sale must appear and register at the bureau not less</u>
- 10 than 14 days before the scheduled sale.
- 11 (b) Bids on multiple properties. -- Except if a person intends
- 12 to bid on more than one property at scheduled sales conducted on
- 13 the same day in the same county, each time that a person intends
- 14 to bid at a scheduled sale, the person must comply with
- 15 subsection (a).
- 16 (c) Fee. -- A county may establish a fee for filing an
- 17 application to register under this article.
- 18 Section 502-A. Application.
- 19 In order to register for a scheduled sale, the person must
- 20 submit an application that includes the following information:
- 21 (1) If the applicant is an individual, the individual's
- 22 name, residential address and phone number.
- 23 (2) If the applicant is not an individual, the
- 24 applicant's name, including the name of all officers,
- business address and phone number.
- 26 (3) An affidavit stating that the applicant:
- 27 <u>(i) is not delinquent in paying real estate taxes to</u>
- any taxing district in this Commonwealth and that the
- 29 <u>applicant has no municipal utility bills, as defined in</u>
- 30 section 619.1(b), that are not more than one year

1	outstanding anywhere in this Commonwealth;
2	(ii) is not bidding for or acting as an agent for a
3	person who is barred from participating in the sale under
4	section 601(d); and
5	(iii) has not, within the three years preceding the
6	filing of the application, engaged in a course of conduct
7	or permitted an uncorrected housing code violation, as
8	defined in section 619(e), to continue unabated after
9	being convicted of such violation, as defined in section
10	619(e), and has not either:
11	(A) failed to maintain property owned by the
12	applicant in a reasonable manner such that the
13	property posed a threat to health, safety or
14	property; or
15	(B) permitted the use of property in an unsafe,
16	illegal or unsanitary manner such that the property
17	posed a threat to health, safety or property.
18	Section 503-A. List of registered bidders.
19	A bureau shall provide a list of completed applications
20	received under section 502-A to all municipalities within the
21	county at least 10 days prior to the scheduled sale. The list
22	shall provide for each property the name, address and phone
23	number of the applicant.
24	Section 2. Sections 601(d), 618 heading, (a) and (c), 619(b)
25	and 627(a) of the act are amended to read:
26	Section 601. Date of Sale* * *
27	(d) No individual whose landlord license has been revoked in
28	a municipality pursuant to its ordinance may purchase property
29	in the county in which the local municipality is located at a
30	tax sale under this act. [Every person bidding for property to

- 1 be sold at a tax sale under this act must certify that they are
- 2 not bidding for or acting as an agent for a person who is barred
- 3 from participating in a sale under this subsection.] Pursuant to
- 4 this subsection, a municipality shall furnish to the county in
- 5 which such municipality is located, within forty-eight (48)
- 6 hours in advance of a tax sale, documentation relating to
- 7 landlord license revocations pursuant to municipal ordinance.
- 8 * * *
- 9 Section 618. Repurchase by Owner and Immediate Family
- 10 Members. -- (a) The owner and immediate family members of the
- 11 owner shall have no right to purchase [his own] the owner's
- 12 property at a judicial sale, a private sale or from the bureau's
- 13 repository for unsold property under the provisions of this act.
- 14 * * *
- 15 (c) For the purpose of this section[, "owner"]:
- 16 "Immediate family member" means any parent, sibling, child by
- 17 blood, adoption or marriage, spouse, grandparent or grandchild
- 18 of an individual.
- 19 "Owner" means any individual, partner, shareholder, trust,
- 20 partnership, limited partnership, corporation or any other
- 21 business association or any trust, partnership, limited
- 22 partnership, corporation or any other business association that
- 23 has any individual as part of the business association who had
- 24 any ownership interest or rights in the property.
- 25 Section 619. Restrictions on Purchases.--* * *
- 26 (b) A municipality may, <u>before and</u> within fifteen (15) days
- 27 of any sale held under subarticle (b) of Article VI, petition
- 28 the court of common pleas to prohibit the transfer of any deed
- 29 for any property exposed for any sale under subarticle (b) of
- 30 Article VI which is located in that municipality to any

- 1 purchaser who is proven to meet any of the criteria set forth in
- 2 the municipality's petition.
- 3 * * *
- 4 Section 627. Sale of Property in Repository. -- (a) The
- 5 bureau may, with the written consent of all the taxing districts
- 6 where the property is located, <u>establish a minimum purchase</u>
- 7 price and accept an offer of any price equal to or greater than
- 8 the minimum purchase price for property placed in the
- 9 "repository for unsold properties" without court approval and
- 10 published notice of sale. The bureau may also require, as a
- 11 condition of sale, that the purchaser provide an affidavit that
- 12 includes the information specified under section 502-A(3). Any
- 13 taxing district may not unreasonably withhold its consent to the
- 14 sale of the property[.] and, if no consent is provided within
- 15 sixty (60) days, it shall be deemed that the taxing district
- 16 <u>consents to the sale of the property.</u>
- 17 * * *
- 18 Section 3. This act shall take effect in 60 days.