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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 767 Session of  
2021

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INTRODUCED BY KRAJEWSKI, CEPHAS, SOLOMON, KINSEY, GUENST,  
SCHLOSSBERG, N. NELSON, SANCHEZ, FIEDLER, A. DAVIS, HILL-  
EVANS, GALLOWAY, MADDEN, STURLA, ROZZI, HOHENSTEIN, DELLOSO,  
T. DAVIS, DRISCOLL, SIMS, FITZGERALD, RABB, MULLINS, HOWARD,  
D. WILLIAMS, SCHWEYER AND WEBSTER, MARCH 3, 2021

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REFERRED TO COMMITTEE ON FINANCE, MARCH 3, 2021

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AN ACT

1 Amending the act of May 16, 1923 (P.L.207, No.153), entitled "An  
2 act providing when, how, upon what property, and to what  
3 extent, liens shall be allowed for taxes and for municipal  
4 improvements, for the removal of nuisances, and for water  
5 rents or rates, sewer rates, and lighting rates; for the  
6 procedure upon claims filed therefor; the methods for  
7 preserving such liens and enforcing payment of such claims;  
8 the effect of judicial sales of the properties liened; the  
9 distribution of the proceeds of such sales, and the  
10 redemption of the property therefrom; for the lien and  
11 collection of certain taxes heretofore assessed, and of  
12 claims for municipal improvements made and nuisances removed,  
13 within six months before the passage of this act; and for the  
14 procedure on tax and municipal claims filed under other and  
15 prior acts of Assembly," further providing for municipal lien  
16 priority.

17 The General Assembly of the Commonwealth of Pennsylvania  
18 hereby enacts as follows:

19 Section 1. Section 3(a)(1) of the act of May 16, 1923  
20 (P.L.207, No.153), referred to as the Municipal Claim and Tax  
21 Lien Law, is amended to read:

22 Section 3. (a) (1) All municipal claims, municipal liens,  
23 taxes, tax claims and tax liens which may hereafter be lawfully

1 imposed or assessed on any property in this Commonwealth, and  
2 all such claims heretofore lawfully imposed or assessed within  
3 six months before the passage of this act and not yet liened, in  
4 the manner and to the extent hereinafter set forth, shall be and  
5 they are hereby declared to be a lien on said property, together  
6 with all charges, expenses, and fees incurred in the collection  
7 of any delinquent account, including reasonable attorney fees  
8 under subsection (a.1), added thereto for failure to pay  
9 promptly; and municipal claims and municipal liens shall arise  
10 when lawfully imposed and assessed and shall have priority to  
11 and be fully paid and satisfied out of the proceeds of any  
12 judicial sale of said property, before any other obligation,  
13 judgment, claim, lien, or estate with which the said property  
14 may become charged, or for which it may become liable, save and  
15 except only the costs of the sale and of the writ upon which it  
16 is made, and the taxes, tax claims and tax liens imposed or  
17 assessed upon said property. Modifications of purchase money  
18 mortgages as provided under 42 Pa.C.S. § 8141 (relating to time  
19 from which liens have priority) that are insured, guaranteed,  
20 administered or securitized by a Federal agency listed under  
21 section 1639c(b) (3) (B) (ii) (I)-(IV) of the Consumer Credit  
22 Protection Act (Public Law 90-321, 15 U.S.C. § 1639c(b) (3) (B)  
23 (ii) (I)-(IV)) or by an enterprise as defined under section  
24 4502(10) of the Federal Housing Enterprises Financial Safety and  
25 Soundness Act of 1992 (Public Law 102-550, 106 Stat. 3941), and  
26 that are modified in compliance with Federal program  
27 requirements relating to persons in financial difficulty, shall  
28 retain priority from the date on which the purchase money  
29 mortgage was first delivered as provided under 42 Pa.C.S. § 8141  
30 over any municipal claims and municipal liens that are imposed,

1 assessed or liened thereafter, regardless of the date such  
2 modification agreement evidencing the mortgage modification is  
3 delivered for recording.

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5 Section 2. This act shall take effect immediately.