
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1213 Session of
2022

INTRODUCED BY GORDNER, MENSCH, YAW AND STEFANO, MAY 23, 2022

REFERRED TO CONSUMER PROTECTION AND PROFESSIONAL LICENSURE,
MAY 23, 2022

AN ACT

1 Amending Titles 42 (Judiciary and Judicial Procedure) and 75
2 (Vehicles) of the Pennsylvania Consolidated Statutes, in
3 magisterial district judges, further providing for
4 jurisdiction and venue; in abandoned vehicles and cargos,
5 further providing for reports by garage keepers of abandoned
6 vehicles; and providing for garage or repair shop liens.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Section 1515(a)(3) of Title 42 of the
10 Pennsylvania Consolidated Statutes is amended to read:

11 § 1515. Jurisdiction and venue.

12 (a) Jurisdiction.--Except as otherwise prescribed by general
13 rule adopted pursuant to section 503 (relating to reassignment
14 of matters), magisterial district judges shall, under procedures
15 prescribed by general rule, have jurisdiction of all of the
16 following matters:

17 * * *

18 (3) Civil claims, except claims against a Commonwealth
19 party as defined by section 8501 (relating to definitions),
20 wherein the sum demanded does not exceed \$12,000, exclusive

1 of interest and costs, in the following classes of actions:

2 (i) In assumpsit, except cases of real contract
3 where the title to real estate may be in question.

4 (ii) In trespass, including all forms of trespass
5 and trespass on the case.

6 (iii) For fines and penalties by any government
7 agency.

8 (iv) For release of a vehicle from a garage or
9 repair shop lien under 75 Pa.C.S. Ch. 73-A (relating to
10 garage or repair shop liens).

11 A plaintiff may waive a portion of his claim of more than
12 \$12,000 so as to bring the matter within the monetary
13 jurisdiction of a magisterial district judge. Such waiver
14 shall be revoked automatically if the defendant appeals the
15 final order of the magisterial district judge or when the
16 judgment is set aside upon certiorari.

17 * * *

18 Section 2. Section 7311 of Title 75 is amended to read:

19 § 7311. Reports by garage keepers of abandoned vehicles.

20 The person in charge of any garage or repair shop authorized
21 to retain possession of a vehicle under Chapter 73-A (relating
22 to garage or repair shop liens) in which a vehicle of unknown
23 ownership has been left for a period of 15 consecutive days [or,
24 in the case of repair or storage, 15 consecutive days following
25 the completion of repairs or storage agreement without being
26 removed by the owner or any other person duly authorized to
27 remove the vehicle] shall report to the department within 24
28 hours of the expiration of the 15-day period giving the make,
29 vehicle identification number[,], and registration plate number
30 [and the name and address of the person abandoning the vehicle

1 if known]. Upon receipt of the report the department shall make
2 a distinctive record of the report and issue a private property
3 abandoned vehicle information report under section 7311.1
4 (relating to reports by private property owners of abandoned
5 vehicles) to the garage keeper to complete and file with the
6 police.

7 Section 3. Title 75 is amended by adding a chapter to read:

8 CHAPTER 73-A

9 GARAGE OR REPAIR SHOP LIENS

10 Sec.

11 7301-A. Definitions.

12 7302-A. Liens.

13 7303-A. Loss of possession.

14 7304-A. Sale to satisfy liens.

15 7305-A. Release of owner's interest in vehicle.

16 7306-A. Notice of sale and disposition of proceeds.

17 7307-A. Registered vehicles.

18 7308-A. Priority of lien.

19 7309-A. Remedy of owner.

20 7310-A. Jurisdiction.

21 7311-A. Rules.

22 § 7301-A. Definitions.

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

26 "Garage or repair shop." A repair or towing business
27 registered with the department under section 1337(c)(1)
28 (relating to use of "Miscellaneous Motor Vehicle Business"
29 registration plates) engaged in the repair or storage of a
30 vehicle in the ordinary course of its business.

1 § 7302-A. Liens.

2 A garage or repair shop that repairs or stores a vehicle
3 shall have a lien upon the vehicle and the right to detain the
4 vehicle to secure payment of the repair or storage costs.

5 § 7303-A. Loss of possession.

6 If, either before or after payment becomes due and payable, a
7 garage or repair shop loses possession of a vehicle, except by
8 court order under this chapter, the garage or repair shop lien
9 shall continue in full force and effect, provided that within 10
10 days from the time of the loss of possession the garage or
11 repair shop files an application for the issuance of an
12 authorization to conduct a lien sale under section 7304-A
13 (relating to sale to satisfy liens) or files a counterclaim for
14 the sale of the vehicle under this chapter in a replevin action
15 by the owner or any other person claiming an interest in the
16 vehicle.

17 § 7304-A. Sale to satisfy liens.

18 (a) General rule.--If a garage or repair shop is not paid
19 the amount due within 30 days following the completion of
20 repairs or a storage agreement, then the garage or repair shop
21 may proceed to sell the property, or so much as may be
22 necessary, to satisfy the lien and costs of sale under section
23 7306-A (relating to notice of sale and disposition of proceeds)
24 if any of the following apply:

25 (1) An authorization to conduct a lien sale has been
26 issued under this section.

27 (2) A judgment has been entered in favor of the garage
28 or repair shop on the claim which gives rise to the lien.

29 (3) The owners and any secured parties of record or
30 known lienholders of the vehicle have signed, after the lien

1 has arisen, a release of any interest in the vehicle in the
2 form prescribed under section 7305-A (relating to release of
3 owner's interest in vehicle).

4 (b) Application.--A garage or repair shop may apply to the
5 magisterial district judge of the magisterial district in which
6 the garage or repair shop is located for the issuance of an
7 authorization to conduct a lien sale under section 7306-A. The
8 application shall be executed under penalty of perjury and shall
9 include all of the following:

10 (1) A description of the vehicle.

11 (2) The names and addresses of the owners of the vehicle
12 and the names and addresses of any other persons who the
13 garage or repair shop knows claim an interest in the
14 property.

15 (3) A statement of the amount of the lien and facts
16 concerning the claim which gives rise to the lien. If
17 compensation for storage is claimed, the per diem rate of
18 storage shall be shown.

19 (4) The date, time and place that the vehicle will be
20 sold if the authorization to conduct a lien sale is issued.

21 (5) A statement that the garage or repair shop has no
22 information or belief that there is a valid defense to the
23 claim which gives rise to the lien.

24 (c) Notice.--Upon receipt of an application which is made
25 under subsection (b), the magisterial district judge shall send
26 a notice and a copy of the application by certified mail or
27 registered mail, return receipt requested, to the owner, secured
28 party of record, lienholder and any other person whose name and
29 address are listed in the application. If the identity of the
30 last registered owner or secured party cannot be determined with

1 reasonable certainty, the notice under section 7306-A shall
2 satisfy the notice requirement under this subsection. The notice
3 shall include all of the following:

4 (1) A statement that an application has been made with
5 the magisterial district judge for the issuance of an
6 authorization to conduct a lien sale.

7 (2) A statement that:

8 (i) the person has a legal right to a hearing in
9 court;

10 (ii) if a hearing in court is desired, the enclosed
11 declaration under penalty of perjury must be signed and
12 returned; and

13 (iii) if the declaration is signed and returned, the
14 garage or repair shop will be allowed to sell the vehicle
15 only if the garage or repair shop obtains a judgment in
16 court or obtains a release from the owner and any known
17 lienholder.

18 (3) A statement that if the declaration is signed and
19 returned, a hearing will be promptly scheduled and the owner
20 may appear to contest the claim of the garage or repair shop.

21 (4) A statement of the date, time and place that the
22 vehicle will be sold if the authorization to conduct a lien
23 sale is issued.

24 (5) A statement that the magisterial district judge will
25 issue the authorization to conduct a lien sale unless the
26 person signs and returns, within 20 days after the date on
27 which the notice was mailed, the enclosed declaration stating
28 that the person desires to contest the claim which gives rise
29 to the lien.

30 (6) A statement that the person shall be liable for

1 costs if a judgment is entered in favor of the garage or
2 repair shop on the claim which gives rise to the lien.

3 (7) A declaration which may be executed by the person
4 under penalty of perjury stating that:

5 (i) the person desires to contest the claim which
6 gives rise to the lien; and

7 (ii) the person has a valid defense to the claim and
8 the person shall furnish names and addresses where
9 official notice may be received of any person known to
10 claim an interest in the property of the hearing date.

11 (d) Declaration.--If the magisterial district judge receives
12 a declaration described under subsection (c) which meets the
13 requirements under subsection (c), the magisterial district
14 judge shall notify the garage or repair shop, owner and any
15 other persons listed in the application or declaration of the
16 hearing date unless the owner of the vehicle and any known
17 lienholder have signed, after the lien has arisen, a release of
18 any interest in the vehicle in the form prescribed by section
19 7305-A.

20 (e) Authorization.--If a magisterial district judge does not
21 receive a declaration described under subsection (c) which meets
22 the requirements under subsection (c), the magisterial district
23 judge shall issue an authorization to conduct a lien sale.

24 (f) Hearing.--In a hearing conducted under this chapter:

25 (1) the garage or repair shop may have the amount of the
26 indebtedness and right to sale determined; and

27 (2) the person requesting the hearing may present and
28 have determined any defenses, setoffs, counterclaims, cross-
29 claims or third-party actions.

30 (g) Fees.--Fees shall be recoverable as a cost by the garage

1 or repair shop if a sale is conducted.

2 (h) Form.--The form of the applications, notices and
3 declarations described in this section shall be prescribed by
4 the Supreme Court. The language used in the applications,
5 notices and declarations shall be simple and nontechnical.

6 § 7305-A. Release of owner's interest in vehicle.

7 (a) General rule.--An owner of a vehicle subject to a lien
8 under this chapter may release any interest in the vehicle after
9 the lien has risen. The release shall be dated when signed and a
10 copy shall be given at the time the release is signed to the
11 person releasing the interest.

12 (b) Contents.--The release shall contain all of the
13 following information in simple, nontechnical language:

14 (1) A description of the vehicle.

15 (2) The name and address of the owner.

16 (3) A statement of the amount of the lien and the facts
17 concerning the claim which gives rise to the lien.

18 (4) A statement that the person releasing the interest
19 understands that the person has a legal right to a hearing in
20 court prior to any sale of the vehicle to satisfy the lien
21 and the person is giving up the right to appear to contest
22 the claim of the garage or repair shop.

23 (5) A statement that the person releasing the interest
24 gives up any interest that person may have in the vehicle and
25 the person is giving the garage or repair shop permission to
26 sell the vehicle.

27 (6) A statement that there is no other person or
28 lienholder that has an outstanding interest in the vehicle.

29 § 7306-A. Notice of sale and disposition of proceeds.

30 (a) General rule.--Prior to any sale under this chapter, the

1 garage or repair shop must give at least 15 days' notice of the
2 sale by handbills posted in five or more public places and by
3 advertising in a newspaper circulated in the county in which the
4 sale is to be held.

5 (b) Proceeds.--The proceeds of the sale shall be applied to
6 the discharge of the lien and the cost of keeping and selling
7 the vehicle. The balance of the proceeds of the sale, if any,
8 shall be deposited not later than 10 days from the date of the
9 sale with the magisterial district judge to be applied by the
10 magisterial district judge to the payment of any lien or
11 security interest to which the vehicle may be subject in the
12 order of their priority, with any remaining proceeds to be paid
13 to the owner of the vehicle sold. If the owner of the vehicle
14 cannot be found, the balance shall be turned over, not later
15 than 60 days from the date of the sale, to the State Treasurer.
16 The State Treasurer shall create a special fund and deposit the
17 money from the sale into the fund. If the owner of the vehicle
18 makes a claim within one year of the sale of the vehicle, the
19 State Treasurer shall remit the money to the owner of the
20 vehicle. If the owner of the vehicle does not make a claim
21 within one year of the sale of the vehicle, the State Treasurer
22 shall transfer the money in the fund to the General Fund.

23 (c) Form.--In every lien sale authorized under this chapter,
24 it shall be the duty of a garage or repair shop to complete and
25 file with the magisterial district judge a disposition of
26 proceeds form, as designated by the magisterial district judge,
27 within 10 days from the date of the sale. No transfer of or new
28 certificate of title to the vehicle sold or certificate of
29 salvage shall be issued by the department without proof of the
30 filing of the disposition of proceeds form with the magisterial

1 district judge within the required time period. A copy of the
2 disposition of proceeds form sealed with the magisterial
3 district judge's seal shall constitute sufficient proof of
4 filing.

5 § 7307-A. Registered vehicles.

6 In the case of vehicles required to be registered under this
7 title or the laws of any other state, notice containing the
8 information required in section 7304-A(b) (relating to sale to
9 satisfy liens) shall be given to the registered owner and any
10 known lienholder at their addresses of record with the Driver
11 and Vehicle Services Division of the department or a similar
12 agency of another state. The return receipt, signed or unsigned,
13 shall be held and considered as prima facie evidence of service
14 of the notice. The lienholder shall notify the Pennsylvania Auto
15 Theft Prevention Authority.

16 § 7308-A. Priority of lien.

17 (a) General rule.--All liens created under this chapter
18 shall be superior to any lien, title or interest of a person who
19 has a security interest by virtue of a conditional sales
20 contract or a prior perfected security interest in accordance
21 with Title 13 (relating to Commercial Code).

22 (b) Exception.--Notwithstanding the provisions of subsection
23 (a), a garage or repair shop that stores a vehicle towed at the
24 request of a party other than the owner of the vehicle may
25 attain priority of lien as follows:

26 (1) by providing notice by certified mail to a title
27 holder of record within seven business days of the date upon
28 which possession is taken;

29 (2) by providing notice by certified mail to lienholders
30 of record within seven business days of the date upon which

1 possession is taken; and

2 (3) by providing notice by telephone or in person to the
3 appropriate police agency.

4 § 7309-A. Remedy of owner.

5 The owner or other person claiming an interest in the
6 vehicle, in addition to the right to a hearing as provided under
7 this chapter, shall have the right to file an action in replevin
8 or detinue at any time. No bond shall be required to be posted
9 as a prerequisite to the filing of the action or the issuance of
10 the writ.

11 § 7310-A. Jurisdiction.

12 The magisterial district judge of the magisterial district in
13 which the garage or repair shop is located shall have exclusive
14 original jurisdiction of all petitions for sale under this
15 chapter, notwithstanding the monetary amount claimed by the
16 garage or repair shop. The magisterial district judge shall also
17 hear actions in replevin or detinue filed under this chapter,
18 unless a party requests a jury and pays all necessary costs to
19 transfer the action to the court of common pleas of the county
20 in which the garage or repair shop is located. If the garage or
21 repair shop is located in more than one county, the court of
22 common pleas in the county where the vehicle is, or most
23 recently was, located shall have exclusive jurisdiction.

24 § 7311-A. Rules.

25 The Supreme Court may adopt appropriate and specific rules to
26 effectuate the intent and purpose of this chapter.

27 Section 4. This act shall take effect in 60 days.