

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 264 Session of 2021

INTRODUCED BY HEFFLEY, WHEELAND, STRUZZI, CIRESI, MIZGORSKI, DAY AND C. WILLIAMS, JANUARY 26, 2021

AS REPORTED FROM COMMITTEE ON URBAN AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, MARCH 22, 2021

AN ACT

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

1 The General Assembly of the Commonwealth of Pennsylvania
2 hereby enacts as follows:

3 Section 1. The act of July 7, 1947 (P.L.1368, No.542), known
4 as the Real Estate Tax Sale Law, is amended by adding an article
5 to read:

6 ARTICLE V-A

7 BIDDER REGISTRATION BEFORE SALE

8 Section 501-A. Duty to register.

9 (a) General rule.--A person that intends to bid at a
10 scheduled upset sale or judicial sale must appear and register
11 at the bureau not less than ~~fourteen (14)~~ 10 days before the <--
12 scheduled upset sale or judicial sale.

13 (b) Bids on multiple properties.--Except if a person intends
14 to bid on more than one property at scheduled sales conducted on
15 the same day in the same county, each time that a person intends
16 to bid at a scheduled sale, the person must comply with
17 subsection (a).

18 (c) Fee.--A county may establish a fee for filing an
19 application to register under this article.

20 Section 502-A. Application.

21 In order to register for a scheduled upset sale or judicial
22 sale, the person must submit an application that includes the
23 following information:

24 (1) If the applicant is an individual, the individual's
25 name, residential address and phone number.

26 (2) If the applicant is not an individual, the
27 applicant's name, including the name of all officers,
28 business address and phone number.

29 (3) If the applicant is a limited liability company, the
30 names, business addresses and phone numbers of all members,

1 managers and any other persons with any ownership interest or
2 right in the limited liability company.

3 (4) An affidavit stating that the applicant:

4 (i) is not delinquent in paying real estate taxes to
5 any taxing district in this Commonwealth and that the
6 applicant has no municipal utility bills, as defined in
7 section 619.1(b), that are not more than one ~~(1)~~ year <--
8 outstanding anywhere in this Commonwealth;

9 (ii) is not bidding for or acting as an agent for a
10 person who is barred from participating in the sale under
11 section 601(d);

12 (iii) has not, within the three ~~(3)~~ years preceding <--
13 the filing of the application, engaged in a course of
14 conduct or permitted an uncorrected housing code
15 violation, as defined in section 619(e), to continue
16 unabated after being convicted of an uncorrected housing
17 code violation, as defined in section 619(e), and has not
18 either:

19 (A) failed to maintain property owned by the
20 applicant in a reasonable manner such that the
21 property posed a threat to health, safety or
22 property; or

23 (B) permitted the use of property in an unsafe,
24 illegal or unsanitary manner such that the property
25 posed a threat to health, safety or property; and

26 (iv) understands that an applicant who signs a
27 bidder registration application knowing that it contains
28 a false statement and who causes it to be filed with the
29 bureau shall be subject to prosecution for the commission
30 of a misdemeanor of the second degree in violation of 18

1 Pa.C.S. § 4904(a) (relating to unsworn falsification to
2 authorities).

3 (5) If the applicant is not an individual, the applicant <--
4 must include documentation that the signer has the authority
5 to act on behalf of the applicant, and the individual
6 appearing in person to register, as required under section
7 501-A(a), is the signer of the application or otherwise
8 authorized to act on behalf of the applicant.

9 Section 503-A. List of registered bidders.

10 A bureau shall provide a list of completed applications
11 received under section 502-A to all municipalities by mail,
12 email or facsimile within the county at least ~~seven (7)~~ FIVE <--
13 days prior to the upset sale or judicial sale. The list shall
14 provide the name, address and phone number of the applicant. For
15 registered bidders that are not individuals, the bureau shall
16 provide to all municipalities the names, business addresses and
17 phone numbers of all officers, members, managers and any other
18 persons with an ownership interest or right in the applicant as
19 disclosed in the application.

20 Section 2. Sections 601(d), ~~618 heading, (a)~~ 618(A) and (c), <--
21 619(b) and 627(a) of the act are amended to read:

22 Section 601. Date of Sale.--* * *

23 (d) No individual whose landlord license has been revoked in
24 a municipality pursuant to its ordinance may purchase property
25 in the county in which the local municipality is located at a
26 tax sale under this act. [Every person bidding for property to
27 be sold at a tax sale under this act must certify that they are
28 not bidding for or acting as an agent for a person who is barred
29 from participating in a sale under this subsection.] Pursuant to
30 this subsection, a municipality shall furnish to the county in

1 which such municipality is located, within forty-eight (48)
2 hours in advance of a tax sale, documentation relating to
3 landlord license revocations pursuant to municipal ordinance.

4 * * *

5 Section 618. Repurchase by Owner ~~and Immediate Family~~ <--

6 ~~Members~~.--(a) The owner ~~and immediate family members of the~~ <--

7 ~~owner~~ shall have no right to purchase [his own] the owner's
8 property at a judicial sale, a private sale or from the bureau's
9 repository for unsold property under the provisions of this act.

10 * * *

11 (c) For the purpose of this section ["owner"]:

12 "Owner" means any individual, partner, shareholder, trust,
13 partnership, limited partnership, corporation or any other
14 business association or any trust, partnership, limited
15 partnership, corporation or any other business association that
16 has any individual as part of the business association who had
17 any ownership interest or rights in the property.

18 Section 619. Restrictions on Purchases.--* * *

19 (b) A municipality may, within fifteen (15) days [of] before
20 or after any sale held under subarticle (b) of Article VI,
21 petition the court of common pleas to prohibit the transfer of
22 any deed for any property exposed for any sale under subarticle
23 (b) of Article VI which is located in that municipality to any
24 purchaser who is proven to meet any of the criteria set forth in
25 the municipality's petition.

26 * * *

27 Section 627. Sale of Property in Repository.--(a) The
28 bureau may, with the written consent of all the taxing districts
29 where the property is located, establish a minimum purchase
30 price and accept an offer of any price equal to or greater than

1 the minimum purchase price for property placed in the
2 "repository for unsold properties" without court approval and
3 published notice of sale. The bureau shall require, as a
4 condition of sale, that the purchaser provide an affidavit that
5 includes the information specified under section 502-A. Any
6 taxing district may not unreasonably withhold its consent to the
7 sale of the property[.] and, if no consent is provided within
8 sixty (60) days of the date notice was received by the taxing
9 district, it shall be deemed that the taxing district consents
10 to the sale of the property. As a condition of its consent, a
11 taxing district may require that the purchaser:

12 (1) appear in person before the governing body of the
13 taxing district charged with reviewing repository bids; and

14 (2) provide all of the information required under
15 section 502-A.

16 * * *

17 Section 3. This act shall take effect in 60 days.