

No. 1998-6

## AN ACT

SB 631

Amending the act of May 16, 1923 (P.L.207, No.153), entitled "An act providing when, how, upon what property, and to what extent, liens shall be allowed for taxes and for municipal improvements, for the removal of nuisances, and for water rents or rates, sewer rates, and lighting rates; for the procedure upon claims filed therefor; the methods for preserving such liens and enforcing payment of such claims; the effect of judicial sales of the properties liened; the distribution of the proceeds of such sales, and the redemption of the property therefrom; for the lien and collection of certain taxes heretofore assessed, and of claims for municipal improvements made and nuisances removed, within six months before the passage of this act; and for the procedure on tax and municipal claims filed under other and prior acts of Assembly," further providing for attorney fees and for sale of property in cities of the first class.

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

Section 1. Section 20 of the act of May 16, 1923 (P.L.207, No.153), referred to as the Municipal Claim and Tax Lien Law, amended February 7, 1996 (P.L.1, No.1), is amended to read:

Section 20. Tax claims and municipal claims shall be prima facie evidence of the facts averred therein in all cases; and the averments in both tax and municipal claims shall be conclusive evidence of the facts averred therein, except in the particulars in which those averments shall be specifically denied by the affidavit of defense, or amendment thereof duly allowed. A compulsory nonsuit, upon trial, shall be equivalent to a verdict for defendant, whether the plaintiff appeared or not. If plaintiff recovers a verdict, upon trial, in excess of the amount admitted by the defendant in his affidavit of defense or pleadings, he shall be entitled to *reasonable* attorney fees for collection in accordance with section 3.

Section 2. Section 31.2(b) of the act, amended December 14, 1992 (P.L.859, No.135), is amended and the section is amended by adding subsections to read:

Section 31.2. \* \* \*

(b) The deed to the purchaser shall be executed, acknowledged and delivered as in other real estate sales by the sheriff. *Deeds for property exposed for any sale under this section shall not be executed, acknowledged and delivered any sooner than thirty days nor later than one hundred and twenty days after the purchaser pays the balance due to the sheriff for any sale held under this section.* Any person interested may at any time prior to the proposed sale pay all the costs of the proceedings, including the cost for the title search or title insurance policy, and all tax and municipal claims,

penalties and interest thereon, charged against the property whereupon the proceedings on petition shall at once determine.

*(b.1) A city of the first class may, within thirty days of any sale held under this section, petition the court of common pleas to prohibit the transfer of any deed for any property exposed for any sale under this act which is located in that city to any purchaser who is proven to meet any of the criteria set forth in subsection (b.2).*

*(b.2) (1) The petition of a city of the first class shall allege that the purchaser has over the three years preceding the filing of the petition exhibited a course of conduct which demonstrates that a purchaser permitted an uncorrected housing code violation to continue unabated after being convicted of such violation and:*

*(i) failed to maintain property owned by the purchaser in a reasonable manner such that it posed a threat to health, safety or property; or*

*(ii) permitted the use of property in an unsafe, illegal or unsanitary manner such that it posed a threat to health, safety or property.*

*(2) A person who acts as an agent for a purchaser who sought to avoid the limitations placed on the purchase of property by this section shall be subject to the restrictions imposed by this section.*

*(3) Allegations under this subsection shall be proved by a preponderance of the evidence. In ruling on the petition, a court shall consider whether violations were caused by malicious acts of a current non-owner occupant and the control exercised by a purchaser in regard to his ownership interest or rights with other properties.*

*(b.3) A change of name or business status shall not defeat the purpose of this section.*

*(b.4) As used in this section:*

*“Purchaser” shall mean any individual, partner, limited or general partner, shareholder, trustee, beneficiary, any other individual with any ownership interest or right in a business association, sole proprietorship, partnership, limited partnership, S or C corporation, limited liability company or corporation, trust, business trust or any other business association.*

*“Uncorrected housing code violation” shall mean any conviction of a violation of the building, housing, property maintenance or fire code which is not remedied within six months of conviction.*

*“Violation” shall mean any conviction under a building, housing, property maintenance or fire code which posed a threat to health, safety or property, but not a conviction deemed by a court to be de minimis.*

\* \* \*

Section 3. The amendment of section 31.2 of the act shall apply to all sales conducted on or after the effective date of this act.

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

APPROVED—The 29th day of January, A.D. 1998.

THOMAS J. RIDGE