

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. House Bill 1255

PRINTER NO. 2532

AMOUNT

See Fiscal Impact

FUND

General Fund
Judicial Computer System Augmentation
Account (Restricted Receipt Account)

DATE INTRODUCED

April 21, 2021

PRIME SPONSOR

Representative Lewis

DESCRIPTION

House Bill 1255 amends Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes to extend the sunset date on Act 49 fees for the Judiciary and to limit the time frame pursuant to which an action to recover damages may be brought against a real estate appraiser.

The bill amends the Judicial Code by adding a new section 3733.2 to extend the sunset date on Act 49 fee collections for the Judiciary from December 31, 2021, to June 30, 2022. These fees are currently authorized under section 1795.1-E (b) (1) and (c) (1) (i) of the act of April 9, 1929 (P.L.343, No. 176), known as The Fiscal Code. Those sections are repealed in this legislation.

Additionally, a new section 5539 (relating to real estate appraisals) is added to state that any action to recover damages against a real estate appraiser arising from their appraisal shall be brought within five years after the date the appraisal was conducted. The bill provides that the five-year period of repose does not apply to claims that accrued before the effective date of the legislation.

The bill provides for an exception to the five-year limitation if:

- There is evidence of fraud or intentional misrepresentation; or
- The appraisal was performed for a consumer as part of the purchase or sale of a single-family residential real property not involving a lender.

The extension of the sunset date for the Act 49 fee collection for the Judiciary and the repeal mentioned above shall take effect immediately. The remainder of the act shall take effect in 60 days.

FISCAL IMPACT:

The extension of the sunset date for the Act 49 fee collections will generate approximately \$28 million for the Judicial Computer System Augmentation Account, a restricted receipt account within the General Fund, for the remainder of FY 2021-22.

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The amendment to section 5539 of Title 42 will have no fiscal impact on Commonwealth funds.