

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 797 Session of 2013

INTRODUCED BY PARKER, V. BROWN, COHEN, BROWNLEE, SWANGER,
THOMAS, FRANKEL, KORTZ, HARKINS, MURT, FABRIZIO AND STURLA,
FEBRUARY 25, 2013

REFERRED TO COMMITTEE ON JUDICIARY, FEBRUARY 25, 2013

AN ACT

1 Amending the act of April 6, 1951 (P.L.69, No.20), entitled "An
2 act relating to the rights, obligations and liabilities of
3 landlord and tenant and of parties dealing with them and
4 amending, revising, changing and consolidating the law
5 relating thereto," providing for payment options.

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

8 Section 1. The act of April 6, 1951 (P.L.69, No.20), known
9 as The Landlord and Tenant Act of 1951, is amended by adding a
10 section to read:

11 Section 106. Payment Options.--(a) (1) Except as provided
12 in paragraph (2), a landlord or a landlord's agent shall allow a
13 tenant to pay rent and deposit of security by at least one form
14 of payment that is neither cash nor electronic funds transfer.

15 (2) A landlord or a landlord's agent may demand or require
16 cash as the exclusive form of payment of rent or deposit of
17 security if the tenant has previously attempted to pay the
18 landlord or landlord's agent with a check drawn on insufficient
19 funds or the tenant has instructed the drawee to stop payment on

1 a check, draft or order for the payment of money. The landlord
2 may demand or require cash as the exclusive form of payment only
3 for a period not exceeding three months following an attempt to
4 pay with a check on insufficient funds or following a tenant's
5 instruction to stop payment. If the landlord chooses to demand
6 or require cash payment under these circumstances, the landlord
7 shall give the tenant a written notice stating that the payment
8 instrument was dishonored and informing the tenant that the
9 tenant shall pay in cash for a period determined by the
10 landlord, not to exceed three months, and attach a copy of the
11 dishonored instrument to the notice.

12 (3) Paragraph (2) does not enlarge or diminish a landlord's
13 or landlord's agent's legal right to terminate a tenancy.

14 (b) For the purposes of this section, the issuance of a
15 money order or a cashier's check is direct evidence only that
16 the instrument was issued.

17 (c) Nothing in this section shall be construed to prohibit
18 the tenant and landlord or agent to mutually agree that rent
19 payments may be made in cash or by electronic funds transfer, so
20 long as another form of payment is also authorized, subject to
21 the requirements of subsection (a).

22 (d) A waiver of the provisions of this section is contrary
23 to public policy and is void and unenforceable.

24 (e) For purposes of this section, "electronic funds
25 transfer" means any transfer of funds, other than a transaction
26 originated by check, draft or similar paper instrument, that is
27 initiated through an electronic terminal, telephonic instrument,
28 computer or magnetic tape so as to order, instruct or authorize
29 a financial institution to debit or credit an account.

30 "Electronic funds transfer" includes, but is not limited to,

1 point-of-sale transfers, direct deposits or withdrawals of
2 funds, transfers initiated by telephone, transfers via an
3 automated clearinghouse, transfers initiated electronically that
4 deliver a paper instrument and transfers authorized in advance
5 to recur at substantially regular intervals.

6 Section 2. This act shall take effect in 60 days.