



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 080791

Introduced October 23, 2008

Councilmember Tasco

**Referred to the
Committee on Finance**

AN ORDINANCE

Amending Chapter 19-3100 of The Philadelphia Code, entitled “Attorney Fees In Collection Matters; Retention Of Private Attorneys,” by providing for a schedule of contingency fees to be assessed, relating to collection expenses incurred in the collection of delinquent tax and other municipal claims; authorizing such expenses; and making certain related technical changes, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 19-3100 of The Philadelphia Code is amended to read as follows:

**CHAPTER 19-3100. ATTORNEY FEES AND COLLECTION COSTS IN
COLLECTION MATTERS; RETENTION OF PRIVATE ATTORNEYS AND
COLLECTION AGENCIES.**

§ 19-3101. Schedule of [Attorney] *Charges, Expenses, Commissions and Fees.*

(1) Subject to revision from time to time pursuant to subsection 19-3101(2), the following schedule [of attorney fees] shall apply to the City’s imposition of attorney fees *and other charges, expenses, commissions and fees* under [Section] *Sections 1 and 3(a)* of the *Act of May 16, 1923 (P.L. 207, No. 153), as amended, referred to as the Municipal Claims and Tax Liens Act (53 P.S. §§ 7101, 7106(a)), [as amended,]* in connection with the collection of delinquent tax and other municipal claims:

(a) In a matter handled by Law Department attorneys, attorney [fee] *fees of up to six percent (6%)* of the amount of the delinquent claim shall be imposed;

City of Philadelphia

BILL NO. 080791 continued

(b) In a matter for which a private attorney has been retained by the Law Department on a contingency fee basis, attorney [fee] *fees of up to eighteen percent (18%) of the amount of the delinquent claim shall be imposed; and*

(c) In a matter for which a private attorney has been retained by the Law Department on a non-contingency basis, attorney fees at a rate of *up to seventy-five dollars (\$75) per hour shall be imposed.*

(d) In a matter for which a private collection agency has been retained by the City on a contingency fee basis, collection fees of up to sixteen percent (16%) of the amount of the delinquent claim shall be imposed.

(2) The City Solicitor may from time to time by regulation revise the schedule of attorney fees *and other charges, expenses, commissions and fees* set forth in subsection 19-3101(1) to ensure that the City is fully reimbursed for the reasonable cost of retaining attorneys *and collection agencies* to collect delinquent accounts pursuant to the Municipal Claims and Tax Liens Act. Such regulations may for such purposes classify collection matters differently than the classification set forth in subsections 19-3100(1)(a) through [(c)] *(d)*. The City Solicitor shall notify the Council of any such proposed regulations by providing a copy to the Chief Clerk of Council at the same time the proposed regulations are filed with the Department of Records in accordance with subsection 8-407(a) of the Philadelphia Home Rule Charter.

§ 19-3102. Retention of Private Attorneys *and Collection Agencies* in Collection Matters.

(1) When the Law Department retains private attorneys *or collection agencies* to handle to completion the collection of delinquent taxes and municipal claims, and for related matters, such contracts may be made on a contingent fee or hourly rate basis and shall be for such term and contain such conditions as the City Solicitor deems necessary or desirable in the interest of the City.

Explanation:

[Brackets] indicate matter deleted.
Italics indicate new matter added.