

INSTITUTIONS, APPROPRIATIONS TO
Act of Jun. 9, 1911, P.L. 736, No. 304
AN ACT

Cl. 72

Making appropriations to institutions not wholly managed by the Commonwealth of Pennsylvania liens on the premises of such institutions, for the use of the Commonwealth, and providing for the collection thereof.

Section 1. Be it enacted, &c., That all appropriations of money hereafter made by this Commonwealth to any benevolent, charitable, philanthropic, educational or eleemosynary institution, corporation, or unincorporated association, not wholly supported by this Commonwealth, and not under the exclusive control and management of this Commonwealth, for structures, erections, or other permanent improvements of any kind, shall be a lien as hereinafter set forth on the real estate upon which such structure, erection, or other permanent improvement is to be made.

Section 2. It shall be the duty of such institution, corporation, or unincorporated association, if it accept such appropriation, within sixty days after such appropriation is approved by the Governor, to transmit to the Auditor General of this Commonwealth a full and complete description of the real estate, and location thereof, upon which such erection, structure, or other permanent improvement is to be erected, constructed, or made.

Section 3. It shall be the duty of said institution, corporation, or unincorporated association, within sixty days after the approval of such appropriation by the Governor, to notify, in writing, the State Treasurer that it has decided to accept such appropriations, and if it fail so to do it shall be conclusively presumed to have declined the same.

Section 4. Upon the receipt by the State Treasurer of such notice of acceptance, he shall forthwith file a copy thereof with the Auditor General of the Commonwealth; and the Auditor General shall forthwith transmit to the prothonotary of the respective county in which aforesaid real estate may be situate his certificate, setting forth the amount of such appropriation, the location and full description of said real estate, the fact of such acceptance of said appropriation, and the date of approval thereof by the Governor.

Section 5. Upon receipt of such certificate by said prothonotary he shall forthwith enter a note of such certificate, in a docket provided and maintained by him for such purpose, at the expense of the respective county, to be known and marked as the "State Appropriation Docket," wherein the Commonwealth shall appear as plaintiff, and the respective institution, corporation, or unincorporated association as defendant; such notation to contain the locality and brief description of said real estate, amount of said appropriation, and date of approval thereof by the Governor, and date of the making of said notation; and shall file and keep said

certificate as other records are filed and kept. He shall also prepare and maintain proper indices of said dockets, at the expense of the respective county aforesaid, giving the name of the said institution, corporation, or unincorporated association, amount of said appropriation, and date of entry of said notation in said docket, and the number of the volume and page thereof.

Section 6. Such appropriation shall be a non-interest bearing lien on said real estate for the term of twenty years from the date of such entry of said certificate in said docket, and, in case of public or private sale of such real estate during that term, shall be paid out of the proceeds thereof before any subsequent lien, mortgage, encumbrance, or other charge.

(6 amended Aug. 24, 1963, P.L.1196, No.502)

Section 7. All such institutions, corporations, or unincorporated associations shall have the right to pay the amount of said liens to the State Treasurer, at any time, in full or in partial payments; and it shall be the duty of the State Treasurer to accept the same, and to forthwith transmit to the prothonotary of the respective county aforesaid his certificate, that he has received said payment or payments, and the date of receiving same; which certificate or certificates shall be forthwith filed and kept by said prothonotary with the other records in the case, and a notation thereof, setting forth the respective dates and amounts of such payments, shall be made by him on said dockets and indices, in the proper place; and when it appears that the full amount of said appropriation has been repaid as aforesaid to the State Treasurer, said prothonotary shall mark said lien as satisfied in full upon said dockets and indices, at the proper place. The aforesaid defendants shall pay said prothonotary the sum of five dollars for satisfaction of said liens, and the sum of fifty cents for each partial payment credited as aforesaid; to be taxed as costs, and collected when said lien is satisfied as aforesaid.

Section 7.1. If the institution, corporation or unincorporated association is a hospital or museum and shall utilize said real estate and erections, constructions and other permanent improvements aforesaid for the purpose for which the appropriation was made for the term of twenty years from the date of entry of said certificate in said docket and shall so certify to the prothonotary upon affidavit of the chief officer of said hospital or museum, the prothonotary shall mark said lien as satisfied in full upon said docket and indices. The hospital or museum shall pay the prothonotary the sum of five dollars for satisfactions of said lien. A copy of said certification shall be transmitted to the State Treasurer by such hospital or museum.

The provisions of this section shall apply to all such liens heretofore or hereafter created, whether under authority of the act herein amended or under the authority of any act making a specific appropriation to any such institution.

(7.1 amended June 11, 1965, P.L.127, No.88)

Section 7.2. A grant of State funds hereinbefore and hereafter made to a nonprofit, nonsectarian corporation for

establishment of a mental health diagnostic and treatment center shall not be a lien on the real estate of such corporation and any liens heretofore created on account of grants for such centers may be satisfied in the manner provided in section 7.1 of this act, whether or not the term of twenty years has expired.

(7.2 amended Aug. 12, 1969, P.L.230, No.93)

Section 8. Should, at any time before said lien is paid in full and satisfied as aforesaid, the said institution, corporation, or unincorporated association fail to utilize said real estate, and erections, constructions, and other permanent improvements aforesaid, for the purpose for which said appropriations were made, the Commonwealth, at the relation of the Attorney General, shall have the right to sell said real estate, erections, constructions, and other improvements aforesaid in the same manner and with the same effect as lands sold on mortgages.

(8 repealed in part Apr. 28, 1978, P.L.202, No.53)

Section 9. In cases where real estate owned by institutions, corporations, or unincorporated associations, which have received appropriations of money made by the Commonwealth for the structures, erections, or permanent improvements of any kind, and for which the Commonwealth shall have a lien as herein provided, or as provided by any other act of Assembly, shall be sold or taken by eminent domain, and other property of equal or greater value be acquired by such institutions, corporations, or unincorporated associations, the Auditor General shall, upon the entry of a lien upon such acquired property in favor of the Commonwealth for an amount equal to that theretofore existing, release the real estate from the lien to which it was theretofore subject.

In cases where any such structures, erections, or improvements, are destroyed or damaged by fire or other casualty, against which insurance is carried by the institution, corporation, or unincorporated association, the proceeds of such insurance, if carried for the benefit of the Commonwealth to protect its lien, may, with the consent of the Department of Welfare, be expended for the rebuilding and reequipping, or the repair, as the case may be, of the property covered by the lien of the Commonwealth, or of any part thereof. Any such insurance proceeds made payable to the Commonwealth are hereby appropriated to the Department of Welfare for such purposes. In all such cases the original lien shall continue and shall attach to the new construction, equipment or repairs.

(9 amended Mar. 8, 1943, P.L.15, No.5)

Section 10. The provisions of the act shall not apply to appropriations made to land grant colleges of Pennsylvania, as defined by the Act of Congress, approved the second day of July, one thousand eight hundred sixty-two (12 Statute 503) granting public land to the several states for educational purposes, and subsequent Acts of Congress related thereto, in order further to carry into effect the act of the legislature of Pennsylvania, approved the first day of April, one thousand eight hundred sixty-three (Pamphlet Laws 213) and subsequent acts of the legislature of Pennsylvania, accepting the provisions and

conditions of said Acts of Congress and pledging the faith of the State to carry the same into effect.

(10 added May 11, 1949, P.L.1126, No.335)