

No. 1986-97

AN ACT

HB 1813

Amending the act of April 9, 1929 (P.L.177, No.175), entitled "An act providing for and reorganizing the conduct of the executive and administrative work of the Commonwealth by the Executive Department thereof and the administrative departments, boards, commissions, and officers thereof, including the boards of trustees of State Normal Schools, or Teachers Colleges; abolishing, creating, reorganizing or authorizing the reorganization of certain administrative departments, boards, and commissions; defining the powers and duties of the Governor and other executive and administrative officers, and of the several administrative departments, boards, commissions, and officers; fixing the salaries of the Governor, Lieutenant Governor, and certain other executive and administrative officers; providing for the appointment of certain administrative officers, and of all deputies and other assistants and employes in certain departments, boards, and commissions; and prescribing the manner in which the number and compensation of the deputies and all other assistants and employes of certain departments, boards and commissions shall be determined," providing for the transfer of Hazleton State General Hospital; authorizing conveyances of State-owned land; and making editorial changes.

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

Section 1. As much of section 202 as relates to the Department of Public Welfare of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, amended September 28, 1976 (P.L.1048, No.211) and repealed in part February 17, 1984 (P.L.75, No.14) and July 11, 1985 (P.L.211, No.55), is amended to read:

Section 202. Departmental Administrative Boards, Commissions, and Offices.—The following boards, commissions, and offices are hereby placed and made departmental administrative boards, commissions, or offices, as the case may be, in the respective administrative departments mentioned in the preceding section, as follows:

* * *

In the Department of Public Welfare,

Board of Trustees of The Western Youth Development Centers,
Board of Trustees of The Central Youth Development Centers,
Board of Trustees of The Eastern Youth Development Centers,
Board of Trustees of Allentown State Hospital,
Board of Trustees of Clarks Summit State Hospital,
Board of Trustees of Danville State Hospital,
Board of Trustees of Embreeville [State Hospital] Center,
Board of Trustees of Farview State Hospital,
Board of Trustees of Harrisburg State Hospital,
Board of Trustees of Mayview State Hospital,
Board of Trustees of Norristown State Hospital,

Board of Trustees of Philadelphia State Hospital,
[Board of Trustees of Retreat State Hospital,]
 Board of Trustees of Somerset State Hospital,
 Board of Trustees of Warren State Hospital,
 Board of Trustees of Wernersville State Hospital,
 Board of Trustees of Woodville State Hospital,
 Board of Trustees of Torrance State Hospital,
 Board of Trustees of Haverford State Hospital,
 Board of Trustees of Ashland State General Hospital,
 Board of Trustees of Coaldale State General Hospital,
[Board of Trustees of Dixmont State Hospital,
Board of Trustees of Hazleton State General Hospital,
Board of Trustees of Locust Mountain State General Hospital,]
 Board of Trustees of Nanticoke State General Hospital,
 Board of Trustees of Philipsburg State General Hospital,
 Board of Trustees of Scranton State General Hospital,
 Board of Trustees of Shamokin State General Hospital,
[Board of Trustees of Cresson Center,]
 Board of Trustees of Ebensburg Center,
 Board of Trustees of Eastern State School and Hospital,
 Board of Trustees of Laurelton Center,
 Board of Trustees of Pennhurst Center,
 Board of Trustees of Polk Center,
 Board of Trustees of Selingsgrove Center,
 Board of Trustees of Hamburg Center,
 Board of Trustees of Western Center,
 Board of Trustees of White Haven Center,
 Board of Trustees of Woodhaven Center,
[Board of Trustees of Western Restoration Center,]
 Board of Trustees of South Mountain Restoration Center.

* * *

Section 2. Section 401 of the act, amended July 11, 1985 (P.L.211, No.55), is amended to read:

Section 401. Boards of Trustees of State Institutions.—The boards of trustees of each of the State institutions hereinafter mentioned shall consist of nine members, and the head of the department having supervision over the institution ex officio.

The terms of each member of each such board shall be six years, and until his successor is appointed and qualified.

[The terms of the first three members of all boards, the members of which now serve for terms of four years, appointed by the Governor on or after the third Tuesday of January, 1959, shall expire on the third Tuesday of January, 1961. The terms of the next three members appointed shall expire on the third Tuesday of January, 1963. The terms of the next three members appointed shall expire on the third Tuesday of January, 1965. Their successors and all] All members of all boards, appointed to succeed members who have served six year terms, shall be appointed for terms of six years from the

date of the expiration of the preceding term. Vacancies happening before the expiration of a term shall be filled for the unexpired term.

Five members of any such board shall constitute a quorum.

Each such board shall annually elect a president and vice-president from among its members, and a secretary and treasurer who need not be members of the board. The secretary and treasurer may be the same person.

This section shall apply to:

Board of Trustees of Thaddeus Stevens State School of Technology,
Board of Trustees of Scranton State School for the Deaf,
Board of Trustees of Scotland School for Veterans' Children,
Board of Trustees of Pennsylvania Soldiers' and Sailors' Home,
Board of Trustees of State Industrial Home for Women,
Board of Trustees of the Western Youth Development Centers,
Board of Trustees of the Central Youth Development Centers,
Board of Trustees of the Eastern Youth Development Centers,
Board of Trustees of Allentown State Hospital,
Board of Trustees of Clarks Summit State Hospital,
Board of Trustees of Danville State Hospital,
Board of Trustees of Embreeville [State Hospital] *Center*,
Board of Trustees of Farview State Hospital,
Board of Trustees of Harrisburg State Hospital,
[Board of Trustees of Hollidaysburg State Hospital,]
Board of Trustees of Mayview State Hospital,
Board of Trustees of Norristown State Hospital,
Board of Trustees of Philadelphia State Hospital,
[Board of Trustees of Retreat State Hospital,]
Board of Trustees of Somerset State Hospital,
Board of Trustees of Warren State Hospital,
Board of Trustees of Wernersville State Hospital,
Board of Trustees of Woodville State Hospital,
Board of Trustees of Torrance State Hospital,
Board of Trustees of Haverford State Hospital,
Board of Trustees of Ashland State General Hospital,
Board of Trustees of Coaldale State General Hospital,
[Board of Trustees of Dixmont State Hospital,
Board of Trustees of Hazleton State General Hospital,
Board of Trustees of Locust Mountain State General Hospital,]
Board of Trustees of Nanticoke State General Hospital,
Board of Trustees of Philipsburg State General Hospital,
Board of Trustees of Scranton State General Hospital,
Board of Trustees of Shamokin State General Hospital,
[Board of Trustees of Cresson State School and Hospital,]
Board of Trustees of Ebensburg [State School and Hospital] *Center*,
Board of Trustees of Eastern State School and Hospital,
Board of Trustees of Laurelton [State School and Hospital] *Center*,
Board of Trustees of Pennhurst [State School and Hospital] *Center*,

Board of Trustees of Polk [State School and Hospital] Center,
 Board of Trustees of Selinsgrove [State School and Hospital] Center,
 Board of Trustees of Hamburg [State School and Hospital] Center,
 Board of Trustees of Western [State School and Hospital] Center,
 Board of Trustees of White Haven [State School and Hospital] Center,
 [Board of Trustees of Eastern Mental Health Center,
 Board of Trustees of the Western Restoration Centers,]
 Board of Trustees of Woodhaven Center,
 Board of Trustees of the [Central] South Mountain Restoration Centers],
 Board of Trustees of the Eastern Restoration Centers].

Section 3. (a) The Department of General Services, the Board of Trustees of Hazleton State General Hospital and The General State Authority, with the approval of the Governor and the Department of Public Welfare, are hereby authorized and directed, on behalf of the Commonwealth of Pennsylvania, to grant and convey to Northeastern Pennsylvania Health Corporation, a nonprofit, nonstock corporation organized and operating in this Commonwealth, in consideration of the agreement of Northeastern Pennsylvania Health Corporation to use such properties in the operation of a hospital, the following tracts of land situate in the City of Hazleton, Luzerne County, together with any and all buildings and improvements now or hereafter located on or at, or used in connection with, the property described in this section, including, without limitation, the fixtures, attachments, appliances, equipment, machinery and all other articles owned by the Commonwealth attached to such buildings and improvements, which lands, buildings and improvements are presently utilized in the operation of the Hazleton State General Hospital, bounded and described as follows:

Tract No. 1

Beginning at the southeasterly corner of the lands conveyed by deed, dated March 14, 1889, from the Lehigh Valley Railroad Company to the Commonwealth of Pennsylvania, being the southeasterly corner of the lands occupied and fenced in by the State Hospital; thence (1) south 28 degrees east 225 feet to a stake and stones; thence (2) south 70 degrees 18 minutes west 803.02 feet to stake and stones; thence (3) north 19 degrees 32 minutes west 225 feet to the southwesterly corner of the land conveyed by the above mentioned deed, dated March 14, 1889, being the southwest corner of land occupied and fenced in by the State Hospital; thence (4) along the southerly line of lands conveyed by the above mentioned deed dated March 14, 1889, north 70 degrees 28 minutes east 770 feet to the place of beginning.

Containing approximately 4.04 acres.

Being the same premises conveyed to the Trustees of the State Hospital of The Middle Coal Field of Pennsylvania by the Lehigh Valley Coal Company, a Pennsylvania corporation, by deed dated March 9, 1910, and recorded May 10, 1910, in Luzerne County, Pennsylvania, Deed Book 446, Page 240.

Tract No. 2

Being those two certain parcels situated in the City of Hazleton, Luzerne County, bounded and described as follows:

Beginning at a corner, the intersection of the easterly side of East Street and the southerly side of Mine Street; thence along the southerly side of Mine Street south 53 degrees east 150 feet, more or less, to a point in the westerly right-of-way line of the Lehigh Valley Railroad Company's so-called "Hospital Branch"; thence along said right-of-way line south 43 degrees 30 minutes west 418 feet to the northerly side of a proposed street; thence along said proposed street north 21 degrees 54 minutes west 30 feet, more or less, to a point in the easterly side of East Street; thence along same north 25 degrees 30 minutes east 406 feet, more or less, to the place of beginning.

Containing approximately 0.82 acre.

Tract No. 3

Beginning at a point, the southeasterly corner of land conveyed to James G. Walker and wife by deed dated June 27, 1950, recorded in Luzerne County in Deed Book 830, Page 171, said point being also in the westerly side of a proposed street; thence along said proposed street south 68 degrees 06 minutes west 400 feet, more or less, to a point, the intersection of the proposed street and the easterly right-of-way line of the Lehigh Valley Railroad Company's so-called "Hospital Branch"; thence along said right-of-way line north 43 degrees 30 minutes east 375 feet, more or less, to a point in lands conveyed to James G. Walker and wife by deed dated September 18, 1951 (not recorded); thence along said Walker lands south 53 degrees east 127 feet, more or less, to the southwesterly corner of said Walker lands first mentioned; thence along same south 22 degrees 30 minutes east 55 feet, more or less, to the place of beginning.

Containing approximately 0.80 acre.

Being the same property conveyed to the Commonwealth of Pennsylvania by Lehigh Valley Coal Company, a Pennsylvania corporation, by deed dated January 29, 1953, and recorded in Luzerne County, Pennsylvania, Deed Book 1191, Page 75.

Tract No. 4

Beginning at a point in the southerly line of Mine Street where the same is intersected by the northwesterly line of lands of Lehigh Valley Railroad Company (formerly occupied by the "Hospital Branch" of the Lehigh Valley Railroad); thence the following seven courses: (1) south 54 degrees east along the said southerly line of Mine Street, a distance of 33 feet to its intersection with the easterly line of East Street; (2) north 36 degrees east along the said easterly line of East Street, a distance of 30 feet to a point; (3) south 54 degrees east through lands of Lehigh Valley Railroad Company, a distance of 32.18 feet to a point in the southeasterly line of lands of the Lehigh Valley Railroad Company; (4) south 44 degrees 33 minutes west along the said southeasterly line of lands of the Lehigh Valley Railroad Company, a distance of 394.347 feet to a point in the northerly line of a proposed street; (5) south 69 degrees 54 minutes west along the said northerly line of said proposed street, a distance of 84.44 feet to a point in the easterly line of another proposed street; (6) north 20 degrees 06 minutes west along the said easterly line of the latter proposed street, a distance of 26.39 feet to a point in the aforesaid northwesterly line of lands of the Lehigh Valley Rail-

road Company; (7) north 44 degrees 33 minutes east along the said north-westerly line of lands of the Lehigh Valley Railroad Company, a distance of 420 feet to the point or place of beginning.

Containing approximately 0.586 acre.

Being the same premises conveyed to the Commonwealth of Pennsylvania by Lehigh Valley Railroad Company, a Pennsylvania corporation, by deed dated April 27, 1953, and recorded in Luzerne County, Pennsylvania, Deed Book 1203, Page 529.

Tract No. 5

Beginning at a point at a distance of 122.75 feet on a course of south 40 degrees 47 minutes east from the northwest corner of East Street and Juniper Street; thence south 21 degrees 52 minutes east for a distance of 450 feet to a point; thence north 68 degrees 06 minutes east for a distance of 770 feet to a point on the west side of the Susquehanna and Lehigh Turnpike; thence by the west side of the Susquehanna and Lehigh Turnpike north 30 degrees 48 minutes west for a distance of 455.41 feet to a point; thence south 68 degrees 06 minutes west for a distance of 700 feet to the place of beginning.

Containing approximately 7.592 acres.

Being the same premises conveyed to the Commonwealth of Pennsylvania by Lehigh Valley Railroad Company by deed dated March 14, 1889, and recorded April 8, 1907, in Luzerne County, Pennsylvania, Deed Book 439, Page 474.

(b) The deed of conveyance shall convey any and all tenements, hereditaments and appurtenances belonging to the property, buildings and improvements described in this section or in any way pertaining thereto, and all streets, alleys, passages, ways, water courses, water rights, and all leasehold estates, easements and covenants now existing or hereafter created for the benefit of the owner or tenant of the property described in this section, and all rights to enforce the maintenance of such property, and all other rights, liberties and privileges of whatsoever kind or character, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, at law or in equity, of the Commonwealth in and to the property, buildings and improvements described in this section.

(c) Northeastern Pennsylvania Health Corporation shall perform a legal survey of all the properties authorized to be conveyed by this act. The legal description resulting from the legal survey shall be placed in the deed or deeds of conveyance authorized by this section.

(d) The General Assembly has appropriated funds for payment of rental charges on behalf of Hazleton State General Hospital to The General State Authority to release all property authorized to be conveyed in this section from all liens and encumbrances in favor of The General State Authority in order to complete the transfer of Hazleton State General Hospital to private ownership.

(e) The Department of General Services, the Board of Trustees of Hazleton State General Hospital and The General State Authority, with the approval of the Governor and the Department of Public Welfare, are hereby authorized and directed, on behalf of the Commonwealth of Pennsylvania,

to grant and convey to Northeastern Pennsylvania Health Corporation, in consideration of the agreement of Northeastern Pennsylvania Health Corporation to use such property in the operation of a hospital, all right, title and interest of the Commonwealth in and to all tangible and intangible personal property of any nature whatsoever owned by the Commonwealth, presently utilized in the operation of Hazleton State General Hospital, including, but not limited to, furnishings, equipment, vehicles, inventories, business records and patient records, attached to, or located in, on or at, or used in connection with the property, buildings and equipment described in this section, whether or not such personal property is or shall be affixed to any such property, buildings or improvements.

(f) The conveyances authorized under this section shall be exempt from taxes, imposts or other fees and costs to the extent that such taxes, imposts, fees and costs are imposed by the Commonwealth or by any local taxing authority.

(g) The conveyances described in this section shall be made under and subject to all easements, servitudes and rights of others, including, but not confined to, streets, roadways and rights of any telephone, telegraph, water, electric, sewer, gas or pipeline companies, as well as under and subject to interest, estates or tenancies vested in third persons, whether or not appearing of record, for any portion of the land or improvements erected thereon.

(h) The deeds of conveyance of the property described in this section shall be approved as provided by law and shall be executed by the President of The General State Authority and by the Secretary of General Services in the name of the Commonwealth of Pennsylvania, and shall be executed by a duly authorized agent of the Board of Trustees of Hazleton State General Hospital, who is hereby authorized and directed to join in such deeds for the purpose of transferring such remaining interest in the properties described in this section as shall be vested as of the time of execution of such deeds in the remaining members of the Board of Trustees of Hazleton State General Hospital.

(i) As of the date of the conveyances of property authorized by this section, management and legal control of the affairs of Hazleton State General Hospital, including, without limitation, services, administration, personnel and other functions, shall be transferred and vested in Northeastern Pennsylvania Health Corporation, which may exercise by law with respect to Hazleton State General Hospital all of the powers, rights and franchises vested by law in nonprofit, nonstock corporations under the laws of this Commonwealth.

(j) Any gift, grant or donation of any kind whatsoever, or any bequest, devise, gift or grant contained in any will or other instrument, in trust or otherwise, made to or for the benefit of Hazleton State General Hospital before or after the conveyances authorized by this act shall inure to the benefit of Northeastern Pennsylvania Health Corporation and may be used by Northeastern Pennsylvania Health Corporation for any purposes that shall be consistent with any conditions, restrictions or limitations imposed by the maker of such gift, grant, donation, bequest or devise.

(k) The deeds of conveyance authorized by this section shall contain clauses that the conveyance of properties shall be expressly conditioned upon compliance by Northeastern Pennsylvania Health Corporation with terms and conditions set forth in this section. Such deeds shall provide that if, at any time, Northeastern Pennsylvania Health Corporation, or its successor, fails to comply with any of the conditions specified in this section, the title to such property shall immediately revert to and revest in the Commonwealth of Pennsylvania, subject to such terms and conditions as shall be mutually agreed to between the Department of Public Welfare and Northeastern Pennsylvania Health Corporation:

(1) Northeastern Pennsylvania Health Corporation shall provide uncompensated care, including indigent care, in reasonable amounts to persons unable to pay the cost thereof, and to the extent financially feasible for Northeastern Pennsylvania Health Corporation.

(2) In the event that unforeseen events require that all or a substantial portion of the hospital facilities presently operated as Hazleton State General Hospital be closed by Northeastern Pennsylvania Health Corporation, or its successors, more than six years after the date of the conveyances authorized by this act, Northeastern Pennsylvania Health Corporation, or its successors, shall provide not less than 120 days' written notice prior to the proposed date of closing of the hospital to the Department of Public Welfare, the President pro tempore of the Senate and the Speaker of the House of Representatives, and shall make good faith efforts to obtain a successor owner and operator for the hospital facilities. In the event that Northeastern Pennsylvania Health Corporation identifies a successor owner and operator for the hospital facility, Northeastern Pennsylvania Health Corporation shall provide written notice of the identity of such successor owner and operator to the Department of Public Welfare not less than 90 days prior to the proposed date of transfer of ownership and operation of the hospital facilities. The Department of Public Welfare or the General Assembly, by adoption of a concurrent resolution of disapproval, shall have the authority to disapprove such successor owner and operator by written notice provided to Northeastern Pennsylvania Health Corporation not more than 60 days after the giving of such notice of disposition by Northeastern Pennsylvania Health Corporation, in which case such transfers shall not occur, or shall be null and void. In the event that Northeastern Pennsylvania Health Corporation is unsuccessful in identifying a successor owner and operator, or in the event that the Department of Public Welfare or the General Assembly disapproves the proposed transfer to the successor owner and operator, the Department of Public Welfare shall be authorized to designate a successor owner and operator to whom Northeastern Pennsylvania Health Corporation shall transfer the properties described in this section within 30 days' written designation of such successor owner and operator being provided to Northeastern Pennsylvania Health Corporation by the Department of Public Welfare prior to the proposed date of closing. The reverter authorized by this section shall occur only after:

(i) Northeastern Pennsylvania Health Corporation proposes to close all or a substantial portion of the hospital facilities and either is:

(A) unsuccessful in identifying a successor owner and operator for the hospital facilities; or

(B) designates a successor owner and operator that is disapproved by the Department of Public Welfare or the General Assembly; and

(ii) the Department of Public Welfare does not designate a successor owner and operator prior to the proposed date of closing.

(3) In the event of a sale or other disposition by Northeastern Pennsylvania Health Corporation of all or substantially all the properties described in this section (including, without limitation, through merger, consolidation, lease or transfer of corporate membership) for an amount equalling or exceeding fair market value as determined by three or fewer persons expert in assessing the value of health care institutions, such person or persons to be mutually agreed to by the Department of Public Welfare and Northeastern Pennsylvania Health Corporation, the net proceeds of such disposition shall be used as follows:

(i) If the sale or other disposition occurs within three years of the date of conveyance of the properties authorized by this section, the entire amount of such proceeds shall be paid over to the Commonwealth by Northeastern Pennsylvania Health Corporation within 180 days of such disposition to be used exclusively for charitable, educational and scientific purposes.

(ii) If the sale or other disposition occurs more than three years but less than six years after the date of the conveyance of properties authorized by this section, one-half of the net proceeds shall be paid over to the Commonwealth by Northeastern Pennsylvania Health Corporation within 180 days of such disposition to be used exclusively for charitable, educational and scientific purposes. The remaining one-half of such net proceeds shall be paid over by Northeastern Pennsylvania Health Corporation to one or more charitable organizations designated by Northeastern Pennsylvania Health Corporation and described in section 501(c)(3) of the Internal Revenue Code of 1954 (68A Stat. 3, 26 U.S.C. § 501(c)(3)) to be used exclusively for charitable purposes related to the provision and promotion of health services in Hazleton and surrounding communities.

(iii) If the sale or other disposition occurs more than six years after the date of the conveyance of properties authorized by this section, the entire amount of such proceeds shall be paid over by Northeastern Pennsylvania Health Corporation to one or more charitable organizations designated by Northeastern Pennsylvania Health Corporation and described in section 501(c)(3) of the Internal Revenue Code of 1954, and used exclusively for charitable purposes related to the provision and promotion of health services in Hazleton and surrounding communities.

(4) In the event of a sale or other disposition by Northeastern Pennsylvania Health Corporation of all or substantially all the properties described in this section (including, without limitation, through merger, consolidation, lease or transfer of corporate membership) for less than fair market value as determined by three or fewer persons expert at assessing the value of health care institutions, such persons to be mutually agreed to by the Department of Public Welfare and Northeastern Pennsylvania Health Corporation, Northeastern Pennsylvania Health Corporation shall require any successor owner or operator of such property to agree to conditions substantially similar to those contained in paragraphs (1), (2) and (3), and to agree that such successors shall obtain the agreement of any subsequent successor to conform to the conditions imposed in this paragraph and paragraphs (1), (2) and (3), as a condition of transfer of the property described in this section; and, furthermore, all of the net proceeds of such disposition shall be paid in the same manner provided in paragraph (3)(i) through (iii).

(5) For a period of six years after the date of the conveyances authorized by this section and not thereafter, the Secretary of Public Welfare or the General Assembly shall have the authority to disapprove any proposed sale or other disposition by Northeastern Pennsylvania Health Corporation of the kind described in this section. During such six-year period, Northeastern Pennsylvania Health Corporation shall provide written notice not less than 90 days prior to the proposed date of any such disposition. The Secretary of Public Welfare, or the General Assembly, by adoption of a concurrent resolution of disapproval, shall have the authority to disapprove such proposed disposition, in which case written notice shall be provided to Northeastern Pennsylvania Health Corporation by the disapproving agency not more than 60 calendar days after the giving of such notice of disposition by Northeastern Pennsylvania Health Corporation, in which case such transfers shall not occur or shall be null and void.

(6) In order to qualify to receive payment of any net proceeds of any disposition authorized in this section, any organization described in section 501(c)(3) of the Internal Revenue Code of 1954 shall have as directors and agree to have as directors at all times following such payment, the Governor, or his or her designee, and the Secretary of Public Welfare, or his or her designee.

(7) In the event of a sale or other disposition, by Northeastern Pennsylvania Health Corporation, within three years of the date of the conveyances authorized by this section of all or substantially all the properties described in this section (including, without limitation, through merger, consolidation, lease or transfer of corporate membership), Northeastern Pennsylvania Health Corporation shall require any successor owner or operator of such properties as a condition of such disposition to agree:

(i) to assume the obligations of Northeastern Pennsylvania Health Corporation under any collective bargaining agreement then in effect between Northeastern Pennsylvania Health Corporation and any certified bargaining unit representing any employees of Northeastern Pennsylvania Health Corporation;

(ii) to conform to the terms of any such agreement for its remaining term; and

(iii) to agree to secure the agreement of any subsequent successor owner or operator to a similar assumption of such obligation or agreement, provided that the terms of any such collective bargaining agreement shall be construed and carried out in accordance with applicable laws of the Commonwealth and the United States pertaining to such agreements.

(8) As used herein the term "net proceeds" shall mean any sums and amounts remaining after providing for the obligations and liabilities of Northeastern Pennsylvania Health Corporation, including, without limitation, any amounts owing under agreements between Northeastern Pennsylvania Health Corporation and the Department of Public Welfare.

(l) All agreements to the extent assignable and leases of every nature of the Commonwealth of Pennsylvania which are used, employed or dispensed in connection with the duties, powers or functions of this Commonwealth relating to Hazleton State General Hospital are hereby transferred to Northeastern Pennsylvania Health Corporation as of the date of the conveyance of the properties described in this section. All moneys received by Northeastern Pennsylvania Health Corporation for services rendered by this Commonwealth at Hazleton State General Hospital shall be remitted to the Commonwealth and all accounts payable and liabilities arising from operations prior to the date of conveyance of the properties described in this section shall be paid by the Commonwealth. Nothing contained herein shall impose upon Northeastern Pennsylvania Health Corporation any obligation, claim, demand or cause of action against the Commonwealth arising out of or in connection with the operation of Hazleton State General Hospital by the Commonwealth. The Commonwealth shall indemnify and hold harmless Northeastern Pennsylvania Health Corporation against all claims, obligations and liabilities whatsoever arising or accruing out of the operation of Hazleton State General Hospital by the Commonwealth at any time prior to the conveyance of the properties described in this section.

(m) For a period of three years after the conveyances authorized by this section, the Department of Public Welfare is authorized to pay to Northeastern Pennsylvania Health Corporation such amounts as shall be deemed appropriate by the Secretary of Public Welfare with the approval of the Governor to be paid in connection with the operation and maintenance of the facilities presently operated as Hazleton State General Hospital. The amounts of such payments and advances shall not exceed cumulatively amounts due and owing to the Commonwealth and the Department of Public Welfare as of December 31, 1985, in connection with the rendering of services at Hazleton State General Hospital. Any such payments shall be made subject to such terms and conditions as shall be agreed to between the Secretary of Public Welfare with the approval of the Governor and Northeastern Pennsylvania Health Corporation.

(n) As a condition of the conveyance of properties authorized by this section, Northeastern Pennsylvania Health Corporation shall pay to the

Commonwealth an amount equal to the outstanding amount of all general obligation debts of the Commonwealth of Pennsylvania (including principal and interest) outstanding as of the date of such conveyances to the extent that such debts were incurred by the Commonwealth in connection with the acquisition, construction or maintenance of the hospital facilities presently operated as Hazleton State General Hospital. Such repayments shall be made subject to such terms and conditions as shall be agreed to between the Secretary of Public Welfare with the approval of the Governor and Northeastern Pennsylvania Health Corporation.

(o) (1) As a condition of the conveyance of properties authorized by this section, Northeastern Pennsylvania Health Corporation shall agree that none of its directors shall serve more than two full consecutive terms of three years as a director, and that no director shall serve more than eight consecutive years as a director, including shortened terms as an initial director or to fill a vacancy. Any director serving such consecutive years or terms shall be ineligible to serve as a director until at least one year following the expiration of such director's most recent term of service.

(2) As a condition of the conveyance of properties authorized by this section, Northeastern Pennsylvania Health Corporation shall agree to create a mechanism and procedure for receiving suggestions from the communities presently served by Hazleton State General Hospital concerning the continuing composition of the Board of Directors of Northeastern Pennsylvania Health Corporation. Such mechanism and procedure shall be designed and utilized in a manner consistent with the objectives of insuring that the future operations of the facilities presently operated as Hazleton State General Hospital and the composition of the Board of Directors of Northeastern Pennsylvania Health Corporation shall reflect a broad cross-section of the views and interests of the communities served by Hazleton State General Hospital.

(3) As a condition of the conveyance of properties authorized by this section, Northeastern Pennsylvania Health Corporation shall agree that its board of directors will be comprised of at least 15 directors as of the date of such conveyance and at all times following such conveyance for a period of not less than eight years after the date of such conveyance.

(4) As a condition of the conveyances authorized by this section, Northeastern Pennsylvania Health Corporation shall be prohibited from entering into any transaction or undertaking with a director or officer of the corporation, or with a member of the immediate family of a director or officer, or with any enterprise in which a director or officer, or a member of the immediate family of such director or officer, possesses a material financial interest in such enterprise, where the effect of such undertaking would be to confer a material financial benefit upon such director or officer, or upon such a member of the immediate family, or upon such enterprise. This prohibition shall apply, without limitation, to contracts of employment except to the extent that a similar contract of employment was in effect prior to or as of the date of conveyance between the individual in question and Hazleton State General Hospital. The foregoing prohi-

bition shall not apply to any contract of employment for full-time employment as an officer entered into between Northeastern Pennsylvania Health Corporation and any person who is not and has not been a director or officer of Northeastern Pennsylvania Health Corporation at or prior to the time of such contract; nor shall the foregoing prohibition apply to any contract of employment for full-time employment entered into between Northeastern Pennsylvania Health Corporation and any person serving as a director and officer of the corporation to the extent that the status of such person as a director is derived solely from such person's status as an officer. For purposes of this subsection the term "immediate family" shall include any parent, issue, spouse or sibling of a director, or any person standing in such relationship to a member of the immediate family of a director. Such prohibition shall be defined in terms agreed to between the Department of Public Welfare and Northeastern Pennsylvania Health Corporation prior to the date of the conveyance authorized by this section.

Section 4. (a) The Department of General Services, with the approval of the Governor and the Department of Public Welfare, is hereby authorized and directed, on behalf of the Commonwealth of Pennsylvania, to grant and convey for a consideration equal to one-half of the fair market value as determined by an appraisal by the Department of General Services, to the City of Philadelphia, the following tracts of land situate in the City of Philadelphia, Pennsylvania, bounded and described as follows:

TRACT 1.—All that certain lot or piece of ground, situate in the Seventeenth Ward of the City of Philadelphia, beginning at a point on the northeasterly side of Ogontz Avenue (100 feet wide) at the distance of 170 feet northwestwardly from the northerly side of Olney Avenue (80 feet wide); thence north 33 degrees 08 minutes west, along the northeasterly side of Ogontz Avenue, the distance of 80 feet to a point; thence north 56 degrees 52 minutes east the distance of 44 feet 3 3/8 inches to a point; thence south 48 degrees 11 minutes east the distance of 82 feet 10 1/8 inches to a point; thence south 56 degrees 52 minutes west the distance of 65 feet 9 1/2 inches to a point on the northeasterly side of Ogontz Avenue, the first mentioned point and place of beginning.

TRACT 2.—All that certain lot or piece of ground, situate in the Seventeenth Ward of the City of Philadelphia, beginning at the point of intersection of the northerly side of Olney Avenue (80 feet wide) with the northeasterly side of Ogontz Avenue (100 feet wide); thence north 33 degrees 08 minutes west, along the northeasterly side of Ogontz Avenue, the distance of 170 feet to a point; thence north 56 degrees 52 minutes east the distance of 65 feet 9 1/2 inches to a point; thence south 48 degrees 11 minutes east the distance of 271 feet 3 1/8 inches to a point on the northerly side of Olney Avenue; thence south 89 degrees 56 minutes west, along the northerly side of Olney Avenue, the distance of 58 feet 2 inches to a point of curve; thence westwardly on a curve to the right with a radius of 2,061 1/4 inches the arc distance of 106 feet 2 1/2 inches to the point of intersection of the northerly side of Olney Avenue with the northeasterly side of Ogontz Avenue, the first mentioned point and place of beginning.

(b) The conveyance shall be made under and subject to all easements, servitudes and rights of others, including, but not confined to, streets, roadways and rights of any telephone, telegraph, water, electric, sewer, gas or pipeline companies, as well as under and subject to any interest, estates or tenancies vested in third persons, whether or not appearing of record.

(c) The deed of conveyance shall contain a clause that the land conveyed shall be used for the expansion of the Fanny Kemble Abolitionist Memorial Park and, if at any time the City of Philadelphia or its successor in function conveys the land or permits the land to be used for any purpose other than those aforementioned, the title thereto shall immediately revert to and revest in the Commonwealth of Pennsylvania.

(d) The deed of conveyance shall be approved as provided by law and shall be executed by the Secretary of General Services in the name of the Commonwealth of Pennsylvania.

(e) Costs and fees incidental to this conveyance shall be borne by the grantee.

Section 5. (a) Sections 1 and 2 shall take effect upon the conveyance of the property authorized in section 3 of this act.

(b) The remainder of this act shall take effect immediately.

APPROVED—The 9th day of July, A. D. 1986.

DICK THORNBURGH