

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1340 Session of
1975

INTRODUCED BY KOWALYSHYN, RUGGIERO, SELTZER, KISTLER AND
W. W. FOSTER, JUNE 2, 1975

REFERRED TO COMMITTEE ON EDUCATION, JUNE 3, 1975

AN ACT

1 Amending the act of June 1, 1959 (P.L.350, No.77), entitled "An
2 act relating to the retirement of public school employes;
3 amending, revising, consolidating and changing the laws
4 relating thereto," further providing for the investment of
5 funds.

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

8 Section 1. Section 502, act of June 1, 1959 (P.L.350,
9 No.77), known as the "Public School Employes' Retirement Code of
10 1959," is amended by adding a subsection to read:

11 Section 502. Management of Fund and Accounts.--

12 * * *

13 (8) Bonds of Federal, State or local governments or agencies
14 or authorities thereof shall be proper areas for fund
15 investment: Provided, however, That such bonds are backed by the
16 full faith and credit of the respective governments and that
17 such bonds bear a rate of interest commensurate with the risk
18 involved. Bonds of Federal, State or local governments, or
19 agencies or authorities thereof which are backed only by a moral

1 obligation to pay shall never be proper investment for the fund.

2 Section 2. Any law or part of law inconsistent with the
3 provisions of this act are repealed.

4 Section 3. This act shall take effect immediately.