

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 783

Session of  
1979

---

INTRODUCED BY MESSRS. GALLAGHER, BURNS, J. L. WRIGHT, JR.,  
WEIDNER, WILSON AND RODGERS, MARCH 20, 1979

---

---

AS REPORTED FROM COMMITTEE ON LOCAL GOVERNMENT, HOUSE OF  
REPRESENTATIVES, AS AMENDED May 21, 1979

---

## AN ACT

1 Amending the act of August 31, 1971 (P.L.398, No.96), entitled  
2 "An act providing for the creation, maintenance and operation  
3 of a county employees' retirement system, and imposing certain  
4 charges on counties and providing penalties," providing for  
5 use of members' contributions to the fund as collateral for  
6 certain loans from a credit union.

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

9 Section 1. Section 27, act of August 31, 1971 (P.L.398,  
10 No.96), known as the "County Pension Law," is amended to read:

11 Section 27. Exemption from Taxation and Execution, Etc.--(a)  
12 The right to a member's annuity, or a county annuity, or to the  
13 return of contributions, shall be exempt from any State or  
14 municipal tax and from levy, sale, garnishment, attachment or  
15 any other process whatsoever and shall be unassignable, except  
16 for any indebtedness due the county or the institution district  
17 arising out of embezzlement or fraudulent conversion by a member  
18 of the fund against the respective county or the institution  
19 district of which the same member is employed, or to a credit

1 union as security for a loan not to exceed THE MEMBER'S <—  
2 ACCUMULATED DEDUCTION OR seven hundred fifty dollars (\$750)  
3 WHICHEVER IS LESS and interest not to exceed six per cent per <—  
4 annum discounted and/or fines thereon provided that the credit  
5 union is now or hereafter organized and incorporated under the  
6 laws of the Commonwealth and the membership of such credit union  
7 is limited solely to officials and employes of the county and  
8 provided further that such credit union pay to the fund three  
9 dollars (\$3) for each such assignment.

10 (b) Any member who shall have pledged such rights as  
11 security for a loan from a credit union and, on whose behalf the  
12 board shall have made any payment by reason of that member's  
13 default, may not thereafter pledge or assign such rights to a  
14 credit union.

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