
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 2658 Session of
1976

INTRODUCED BY REED, LAUGHLIN, BRADLEY, KOWALYSHYN, MILLIRON AND
PRATT, SEPTEMBER 22, 1976

REFERRED TO COMMITTEE ON STATE GOVERNMENT, SEPTEMBER 22, 1976

AN ACT

1 Amending Title 71 (State Government) of the Pennsylvania
2 Consolidated Statutes, revising provisions relating to
3 retirement for State employees and officers in connection
4 with assignment of funds.

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

7 Section 1. Subsection (b) of section 5953 of Title 71, act
8 of November 25, 1970 (P.L.707, No.230), known as the
9 Pennsylvania Consolidated Statutes, amended October 5, 1975 (No.
10 101), is amended to read:

11 § 5953. Taxation, attachment and assignment of funds.

12 * * *

13 (b) Authorized payments from fund.--The board shall be
14 authorized to pay from the fund:

15 (1) In the case of a member who is terminating service,
16 the amount determined after certification by the head of the
17 department that the member is so obligated, and after review
18 and approval by the department or agency's legal
19 representative or upon receipt of an assignment from the

1 member in the amount so certified.

2 (2) In the case of a loan the amount of the loan and any
3 fine or interest due thereon to the credit union except 5% of
4 the total amount due which is to be retained in the fund as a
5 collection fee:

6 (i) if the member obtaining the loan shall have been
7 in default in required payments for a period of not less
8 than two years; or

9 (ii) at such time as the Department of Banking shall
10 require the credit union to charge the amount of the loan
11 against the reserve fund of such credit union.

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

17 The board may grant a person a waiver from the provisions of
18 this subsection if warranted by extenuating circumstances
19 whenever he agrees to continuous and automatic payroll
20 deductions for the payment of the obligation due the credit
21 union.

22 Section 2. This act shall take effect immediately.