

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1059 Session of
1981

INTRODUCED BY GALLAGHER, CORDISCO, J. L. WRIGHT, CLYMER,
GREENWOOD AND BURNS, MARCH 30, 1981

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, MARCH 30, 1981

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 the use of members' contributions to the fund as collateral
6 for 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 seven hundred fifty
2 dollars (\$750) and interest not to exceed six per cent per annum
3 discounted or fines thereon subject to the following
4 limitations:

5 (1) that the credit union is now or hereafter organized and
6 incorporated under the laws of the Commonwealth; and

7 (2) the membership of such credit union is limited solely to
8 officials and employes of the county and provided further that
9 such credit union pay to the fund three dollars (\$3) for each
10 such assignment.

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

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