

*was absent from county employment in active military service either in a lump sum or by installments, but in no event shall such payments be made in installments less than sufficient to pay such amount by the time the member attains superannuation retirement age. A contributor who complies with the foregoing provisions of this section shall be entitled to all the benefits to which he may have been entitled as fully as though such county employe had continued in county employment during the period of such active military service.*

APPROVED—The 7th day of October, A. D. 1955.

GEORGE M. LEADER

No. 191

AN ACT

Amending the act of June four, one thousand nine hundred thirty-seven (Pamphlet Laws 1625), entitled "An act providing for the creation, maintenance and operation of a county employes retirement system in counties of the third class; and imposing certain charges on counties", changing the definition of "final salary", the membership of the board, the manner of paying money out of the retirement fund, and the options allowed upon retirement; authorizing the board to permit transfers to the one-eightieth (1/80) class of contributors and adjusting the county annuities; allowing employes credit in certain cases for prior service; making provisions, in certain cases retroactive, for contributors who are qualified for but die before retirement.

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

Section 1. The definition of "Final Salary" in section one, act of June four, one thousand nine hundred thirty-seven (Pamphlet Laws 1625), entitled "An act providing for the creation, maintenance and operation of a county employes retirement system in counties of the third class; and imposing certain charges on counties," amended December twenty-two, one thousand nine hundred fifty-one (Pamphlet Laws 1723) is amended to read:

Third class counties employes retirement system.

Definition of "Final Salary," section 1, act of June 4, 1937, P. L. 1625, amended December 22, 1951, P. L. 1723, further amended.

Section 1. Be it enacted, &c., That the following words and phrases, as used in this act, shall be construed to have the following meanings:

\* \* \* \* \*

"Final Salary," the [highest] average annual salary received by contributor for [any five consecutive] *the five highest* years of service [preceding retirement,] *in*

*the employment of the county*, or in the event a member has not served five years, the total salary received divided by the number of years served.

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Section 2, act of June 4, 1937, P. L. 1625, amended August 5, 1941, P. L. 840, further amended.

Section 2. Section two of the act, amended August five, one thousand nine hundred forty-one (Pamphlet Laws 840), is amended to read:

Section 2. County Retirement System and County Retirement Board Created.—A retirement system may be established for county employes by resolution of the county commissioners in any county of the third class which system, when established, shall be administered by a county retirement board, which shall consist of the [chairman of the board of] county commissioners, [or his representative who shall be its chairman,] the county controller [or his representative, and one county employe to be selected, from time to time, by the county employes for a term of two years.] *and the county treasurer. The chairman of the board of county commissioners shall be chairman of the board. Each member of the board may designate a deputy or clerk to act in his stead.* Each member of the board shall take an oath of office that he will diligently and honestly administer the affairs of the board, and that he will not knowingly violate or permit to be violated any of the provisions of this act. Such oath shall be subscribed by the member taking it and shall be filed among the records of the board. The members of the board shall not receive any compensation for their services, but shall be reimbursed for all expenses necessarily incurred in the performance of their duty.

[Two] *Three* members of the board shall constitute a quorum.

The retirement system herein provided for shall be established on the first Monday of January of the year succeeding the one in which the resolution of the county commissioners was adopted.

Last paragraph, section 5, act of June 4, 1937, P. L. 1625, added December 22, 1951, P. L. 1723, further amended.

Section 3. The last paragraph of section five of the act, added December twenty-two, one thousand nine hundred fifty-one (Pamphlet Laws 1723), is amended to read:

Section 5. County Employes' Retirement Fund.—

• • • • •

The board may at any time, by rule, authorize members of the retirement system, whether original or new members, to transfer from the one one-hundredth-twentieth (1-120) class [to] *or from* the one one-hundredth (1-100) class *to the one-eightieth (1-80) class*, and whenever such transfer shall be authorized, salary deductions ap-

plicable to such transferred members shall be based upon the same age of the contributor as was used in determining the per centum of salary deduction applicable while in the one one-hundred-twentieth (1-120) class or the one one-hundredth (1-100) class as the case may be.

Section 4. Section six of the act is amended to read:

Section 6, act of June 4, 1937, P. L. 1625, amended.

Section 6. Custody of, and Payments from, Fund.—All moneys and securities in the fund created by this act shall be placed in the custody of the county treasurer for safekeeping, and all payments from said fund [on account of retirement allowances,] shall be made only on requisition signed by the chairman and secretary of the board.

Section 5. Section eight of the act, amended May twenty-seven, one thousand nine hundred forty-three (Pamphlet Laws 749), is amended to read:

Section 8, act of June 4, 1937, P. L. 1625, amended May 27, 1943, P. L. 749, further amended.

Section 8. Compulsory Membership.—Each county officer may and each county employe shall be required to become a member of the retirement system established by this act at such date as may be specified in the resolution establishing the retirement system, and thereafter when first becoming a county employe. Those becoming members who have been at any time county employes prior to the first Monday of January of the year the retirement system is established, shall be known as original members, and those becoming members after said date as new members. *Any person who becomes a county employe subsequent to the time the system was established, and who had been an employe of the county at any time theretofore, shall receive credit for the service prior to the time the system was established, and be known as an original member if said employe shall contribute to the fund the amount which he would have contributed if the retirement system had been in effect during such previous employment in which event the county shall contribute for each employe the amount which it would have contributed if the retirement system had been in effect during such previous employment.*

Section 6. Section eleven of the act, amended December twenty-two, one thousand nine hundred fifty-one (Pamphlet Laws 1723), is amended to read:

Section 11, act of June 4, 1937, P. L. 1625, amended, December 22, 1951, P. L. 1723, further amended.

Section 11. Superannuation Retirement Allowance.—Any contributor who has reached superannuation retirement age may retire for superannuation by filing with the board a written statement duly signed by the contributor setting forth at what time he desires to be retired. Said application shall retire said contributor at the time so specified.

On retirement for superannuation, a beneficiary shall receive a retirement allowance which shall consist of, (a) a member's annuity which shall be the actuarial equivalent of his accumulated deductions standing to his credit in the members' annuity reserve account, and (b) a county annuity equal to one one-hundred-twentieth (1-120) of his final salary multiplied by each year of total service and in addition thereto in the case of an original member one one-hundred-twentieth (1-120) of his final salary multiplied by each year of prior service. At any time the board by rule may, be increasing the county annuity, authorize the payment of a minimum retirement allowance of one hundred dollars (\$100) per month to every beneficiary who has retired for superannuation after twenty (20) years service, but the total county annuity shall never exceed fifty per centum of the final salary.

Whenever the board [shall] *has* by rule [authorize] *authorized* the members of the retirement system to transfer from the one one-hundred-twentieth (1-120) class to the one one-hundredth (1-100) class, *or whenever the board shall hereafter by rule authorize the transfer to the one-eightieth (1-80) class*, the county annuity shall be calculated as follows:

(a) For service prior to the time of transfer, at the one one-hundred-twentieth (1-120) rate *or the one one-hundredth (1-100) rate, as the case may be.*

(b) For service subsequent to the time of transfer to the time of retirement, *or to the time of a subsequent transfer*, at the [one one-hundredth (1-100)] *rate applicable during such period.*

(c) For all service prior to the time of commencing contribution, as the time he contributed at the one one-hundred-twentieth (1-120) rate bears to the total time of contribution and as the time he contributed at [the one one-hundredth (1-100) rate] *any other rate herein provided for* bears to the total time of contribution.

Section 12, act of June 4, 1937. P. L. 1625, amended May 20, 1949, P. L. 1560, further amended.

Section 7. Section twelve of the act, amended May twenty, one thousand nine hundred forty-nine (Pamphlet Laws 1560), is amended to read:

Section 12. Options on Superannuation Retirement.—At the time of his superannuation retirement, any beneficiary may elect to receive *either* his retirement allowance payable throughout \*life, or [if such retirement allowance shall amount to less than ten dollars per month, he may elect] to receive the full amount of the accumulated deductions standing to his individual credit in the member's annuity reserve account *at the*

\* *lif* in original.

*time of his voluntary or involuntary retirement, or he may in any event elect to receive the actuarial equivalent of his member's and county annuity in a lesser retirement allowance payable throughout life with provisions that—*

Option One. If he die before receiving in payments the present value of his member's annuity and county annuity as it was at the time of his retirement, the balance shall be paid to his legal representatives or to such person having an insurable interest in his life, as he shall nominate by written designation, duly acknowledged and filed with the board at the time of his retirement or at any time thereafter.

Option Two. Upon his death his member's annuity and county annuity shall be continued through the life of and paid to such person having an insurable interest in his life as he shall nominate by written designation duly acknowledged and filed with the retirement board at the time of his retirement.

Option Three. Upon his death one-half of his member's and county annuity shall be continued through the life of and paid to such person having an insurable interest in his life as he shall nominate by written designation duly acknowledged and filed with the board at the time of his retirement.

Section 8. The act is amended by adding, after section thirteen, three new sections to read:

*Section 13.1. Retirement as of Time of Death.—Any contributor who is entitled to retire under the provisions of this act by reason of having completed twenty-five (25) years of total service or by reason of having reached superannuation retirement age may file with the retirement board a written application for retirement in the form required for such application, but requesting that such retirement shall become effective as of the time of his death, electing one of the options provided in section twelve and nominating a beneficiary under said option as required in said section.*

*In all such cases, the application shall be held by the retirement board until the contributor shall file a later application in the usual manner for retirement or until the death of the contributor occurring while in county service, at which time his retirement shall become effective with the same benefits to the designated beneficiary as if the contributor had retired on the day immediately preceding his death.*

*Section 13.2. Retirement While in County Service.—Any contributor who is or was entitled to retire under the provisions of this act by reason of having completed twenty-five (25) years of total service or by reason of*

Act of June 4,  
1937, P. L. 1625,  
amended by add-  
ing three new  
sections, 13.1,  
13.2, and 13.3.

having reached superannuation retirement age, and who shall die while in county service before filing with the retirement board a written application for retirement as heretofore provided, or has died and whose payments into the fund have not been withdrawn, shall be considered as having elected Option one as provided in section twelve of this act, as of the date of his or her death. In such event, payment under Option one shall be made to the beneficiary designated in the nomination of beneficiary form on file with the retirement board. If said beneficiary has predeceased the contributor, payment under Option one shall be made to the legal representative of said contributor.

*Section 13.3. When Effective.*—The provisions of sections 13.1 and 13.2 shall apply to all contributors who became eligible for retirement before the first day of January, one thousand nine hundred fifty-two, and who have died since that date without having filed a written statement as required in the act: Provided, however, That application for payment of benefits shall be made within six (6) months of the effective date of this act.

APPROVED—The 7th day of October, A. D. 1955.

GEORGE M. LEADER

No. 192

AN ACT

Amending the act of May five, one thousand nine hundred thirty-three (Pamphlet Laws 457), entitled "An act relating to the business of building and loan associations; providing for the organization and voluntary dissolution of such associations; defining the rights, powers, duties, liabilities, and immunities of such associations, and of their officers, directors, shareholders, solicitors, and other employes; prohibiting the transaction of business in this Commonwealth by foreign building and loan associations; conferring powers and imposing duties upon the courts, recorders of deeds, and certain State departments, commissions, and officers; establishing limitations of actions; imposing penalties; and repealing certain acts and parts of acts", further defining and limiting the rights, powers, duties, liabilities, and immunities of such associations, and making further provisions governing the transfer of shares, the payment of trustee accounts, authorized investments, security for mortgage loans, and loans secured by chattel paper.

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

Building and  
Loan Code.

Subsection A,  
section 2, act of  
May 5, 1933,  
P. L. 457,  
amended by add-  
ing a new defini-  
tion, "Leasehold  
Interest."

Section 1. Subsection A of section two, act of May five, one thousand nine hundred thirty-three (Pamphlet Laws 457), known as the "Building and Loan Code," is amended by adding, after the definition of "incorporator," a new definition to read:

Section 2. Definitions.—A. The following terms shall be construed in this act to have the following mean-