

No. 487

## AN ACT

To amend section eighteen of the act, approved the eighteenth day of July, one thousand nine hundred and seventeen (Pamphlet Laws, one thousand forty-three), entitled "An act establishing a public school employes' retirement system, and creating a retirement board for the administration thereof; establishing certain funds from contributions by the Commonwealth and contributing employes; defining the uses and purposes thereof, and the manner of payments therefrom, and providing for the guaranty by the Commonwealth of certain of said funds; imposing powers and duties upon boards having the employment of public school employes; exempting annuities, allowances, returns, benefits, and rights from taxation and judicial process; and providing penalties," as amended, authorizing the assignment of retirement rights in certain cases.

Section 18, act of July 18, 1917 (P. L. 1043), as amended by act of May 14, 1929 (P. L. 1738), further amended.

Section 1. Be it enacted, &c., That section eighteen of the act, approved the eighteenth day of July, one thousand nine hundred and seventeen (Pamphlet Laws, one thousand forty-three), entitled "An act establishing a public school employes' retirement system, and creating a retirement board for the administration thereof; establishing certain funds from contributions by the Commonwealth and contributing employes; defining the uses and purposes thereof, and the manner of payments therefrom, and providing for the guaranty by the Commonwealth of certain of said funds; imposing powers and duties upon boards having the employment of public school employes; exempting annuities, allowances, returns, benefits, and rights from taxation and judicial process; and providing penalties," as amended by the act, approved the fourteenth day of May, one thousand nine hundred and twenty-nine (Pamphlet Laws, one thousand seven hundred thirty-eight), is hereby further amended to read as follows:

Employes' retirement fund protected.

Section 18. The right of a person to an employe's annuity, a State annuity, or retirement allowance, to the return of contributions, any benefit or right accrued or accruing to any person under the provisions of this act, and the moneys in the fund created under this act, are hereby exempt from any State or municipal tax, and exempt from levy and sale, garnishment, attachment, or any other process whatsoever, and shall be unassignable, except as in this act specifically otherwise provided, and *except that the assignment of any or all rights as security for a loan, not in excess of three hundred dollars (\$300), made by a member with an organization or credit union whose officers are certified as teachers, shall be valid: Provided, however, That the interest rate shall not exceed that permitted by law for such organization or credit union.*

Exception.

Proviso.

APPROVED—The 1st day of July, A. D. 1937.

GEORGE H. EARLE