

wise, shall be paid out of moneys in the Motor License Fund, and all sums, if any due by such city as its share thereof under any such an agreement with the Commonwealth, shall be paid by such city to the Commonwealth and shall be credited in the Motor License Fund.

Section 549. Cities Authorized to Incur Indebtedness.—Cities of the first *and second* class are hereby authorized to incur or to increase their indebtedness by the issue and sale of obligations of the city, in the manner and subject to the limitations provided by law, for the purpose of assisting in the improving, constructing, reconstructing or resurfacing any of the streets, or sections thereof, the improvement of which is authorized in accordance with the provisions of this subdivision of this article.

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

GEORGE M. LEADER

No. 189

AN ACT

Amending the act of July eight, one thousand nine hundred forty-one (Pamphlet Laws 298), entitled "An act authorizing the creation of, and providing for, and regulating the maintenance and operation of a county employes' retirement system in counties of the fourth class, imposing certain charges on counties, and fixing penalties", changing the definition of "Average salary", the membership of the board, and the options allowed upon retirement; regulating the manner of paying money out of the retirement fund; making provisions, in certain cases retroactive, for contributors who are qualified for but die before retirement; and providing for voluntary retirement after twenty-five years service.

"Fourth class County Retirement Law."

Definition of "Average salary" in section 2 and section 3, act of July 8, 1941, P. L. 298, amended May 28, 1943, P. L. 789, further amended.

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

Section 1. The definition of "Average salary" in section two and section three of the act of July eight, one thousand nine hundred forty-one (Pamphlet Laws 298), known as the "Fourth Class County Retirement Law," amended May twenty-eight, one thousand nine hundred forty-three (Pamphlet Laws 789), are amended to read:

Section 2. Definitions.—The following words and phrases as used in this act shall be construed to have the following meanings:

\* \* \* \* \*

"Average salary," the average annual salary received by a contributor for the five *highest* years of service

[immediately 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.

• • • • •

Section 3. County Retirement System; County Retirement Board.—The county commissioners are hereby authorized to establish a system for the retirement of county employes in each county of the fourth class which shall, if established, be administered by a county retirement board, which shall consist of the county commissioners, the county controller *and* the treasurer [the register-of-wills the clerk or clerks of the courts and the recorder of deeds]. 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 on said board in his stead. [Five] *Three* members of the board shall constitute a quorum.

Each member of the board shall take an oath of office that he will diligently and honestly administer the affairs of the board and 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 duties.

The retirement system created by this act shall be established in each county as of the [date fixed by resolution of the county commissioners for such system to become effective] *first Monday of January of the year succeeding the one in which the resolution of the county commissioners was adopted.*

Section 2. Section seven of the act is amended to read:

Section 7, act of July 8, 1941, P. L. 298, amended.

Section 7. 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 3. Section thirteen of the act is amended to read:

Section 13, act of July 8, 1941, P. L. 298, amended.

Section 13. 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 retire-

ment 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 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.

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.

Act of July 8,  
1941, P. L. 298,  
amended by add-  
ing three new  
sections 13.1,  
13.2, and 13.3.

Section 4. 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 thirteen 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 effec-*

\* "annuity" in original.

*tive 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 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 thirteen 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 become 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.*

Section 5. Section fourteen of the act, amended May twenty-eight, one thousand nine hundred forty-three (Pamphlet Laws 789), is amended to read:

Section 14. Involuntary Retirement Allowances; *Voluntary Retirement Allowances After Twenty-five Years Service.*—Should a contributor be discontinued from service not voluntarily or an elected county officer complete his term of office and discontinue service after having completed ten years of total service or *voluntarily after having completed twenty-five years of total service*, but before reaching superannuation retirement age, he shall be paid, as he may elect, as follows: (a) The full amount of the accumulated deductions standing to his credit in the members' annuity reserve account, or (b) a member's annuity of equivalent actuarial value to his accumulated deductions standing to his credit in the members' annuity reserve account, and in addition a county annuity having a value equal to the present value of a county annuity beginning at superannuation retirement age as provided in this act with respect to

Section 14, act of July 8, 1941, P. L. 298, amended May 28, 1943, P. L. 789, further amended.

county annuities for superannuation retirement. The same options shall be available to beneficiaries in case of involuntary *or voluntary* retirement as provided herein in the case of superannuation retirement.

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

GEORGE M. LEADER

No. 190

AN ACT

Amending the act of August five, one thousand nine hundred forty-one (Pamphlet Laws 803), entitled, as amended, "An act providing for the creation, maintenance and operation of a county employes' retirement system in counties of the fifth, sixth, seventh and eighth class; imposing certain charges on counties, and prescribing penalties", changing the definition of "Final Salary", the membership of the board, and its method of accounting, and making payments 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 contribution and adjustment of county annuities; allowing credit for prior service for certain per diem employes; making provisions, in certain cases retroactive, for contributors who are qualified for but die before retirement; authorizing the establishment of a minimum retirement allowance; and providing for the reinstatement of contributors returning from military service.

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

Section 1. The definition of "Final Salary" in section one, act of August five, one thousand nine hundred forty-one (Pamphlet Laws 803), entitled, as amended, "An act providing for the creation, maintenance and operation of a county employes' retirement system in counties of the fifth, sixth, seventh and eighth class; imposing certain charges on counties and prescribing penalties," reenacted and amended May two, one thousand nine hundred forty-nine (Pamphlet Laws 881), and amended May twenty-three, one thousand nine hundred forty-nine (Pamphlet Laws 1688), is amended to read:

Section 1. The following words and phrases as used in this act, unless a different meaning is plainly required by the context, shall be construed to have the following meanings: • • • • •

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

• "an" in original.

Employes' retirement system: counties of the 5th, 6th, 7th and 8th class.

Definition of "Final Salary," section 1, act of August 5, 1941, P. L. 803, enacted and amended May 2, 1949, P. L. 881, and amended May 23, 1949, P. L. 1688 further amended.