

H. B. 2474

(By Delegate Longstreth)
[Introduced January 14, 2011; referred to the
Committee on Pensions and Retirement then Finance.]

**FISCAL
NOTE**

A BILL to amend and reenact §5-10-18 of the Code of West Virginia, 1931, as amended, relating to the West Virginia Public Employees Retirement Act; providing for reentry after termination of membership; and changing the effective dates for repurchase and reentry.

Be it enacted by the Legislature of West Virginia:

That §5-10-18 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 10. WEST VIRGINIA PUBLIC EMPLOYEES RETIREMENT ACT.

§5-10-18. Termination of membership; reentry.

(a) When a member of the retirement system retires or dies, he or she ceases to be a member. When a member leaves the employ of a participating public employer for any other reason, he or she ceases to be a member and forfeits service credited to him or her at that time. If he or she becomes reemployed by a participating public employer he or she shall be reinstated as a member of the retirement system and his or her credited service last forfeited by

1 him or her shall be restored to his or her credit: *Provided*, That
2 he or she must be reemployed for a period of one year or longer to
3 have the service restored: *Provided, however*, That he or she
4 returns to the members' deposit fund the amount, if any, he or she
5 withdrew from the fund, together with regular interest on the
6 withdrawn amount from the date of withdrawal to the date of
7 repayment, and that the repayment begins within two years of the
8 return to employment and that the full amount is repaid within five
9 years of the return to employment.

10 (b) The Presteria Center for Mental Health Services, Valley
11 Comprehensive Mental Health Center, Westbrook Health Services and
12 Eastern Panhandle Mental Health Center, and their successors in
13 interest, shall provide for their employees a pension plan in lieu
14 of the Public Employees Retirement System during the existence of
15 the named mental health centers and their successors in interest.

16 (c) The administrative bodies of the Presteria Center for
17 Mental Health Services, Valley Comprehensive Mental Health Center,
18 Westbrook Health Services and Eastern Panhandle Mental Health
19 Center shall, on or before May 1, 1997, give written notice to each
20 employee who is a member of the Public Employees Retirement System
21 of the option to withdraw from or remain in the system. The notice
22 shall include a copy of this section and a statement explaining the
23 member's options regarding membership. The notice shall include a
24 statement in plain language giving a full explanation and actuarial
25 projection figures in support of the explanation regarding the
26 individual member's current account balance, vested and nonvested,

1 and his or her projected return upon remaining in the Public
2 Employees Retirement System until retirement, disability or death,
3 in comparison with the projected return upon withdrawing from the
4 Public Employees Retirement System and joining a private pension
5 plan provided by the Community Mental Health Center and remaining
6 therein until retirement, disability or death. The administrative
7 bodies shall keep in their respective records a permanent record of
8 each employee's signature confirming receipt of the notice.

9 (d) Effective March 1, ~~2003~~ 2011, and ending December 31, ~~2004~~
10 2012, any member may purchase credited service previously forfeited
11 by him or her and the credited service shall be restored to his or
12 her credit: *Provided*, That he or she returns to the members'
13 deposit fund the amount, if any, he or she withdrew from the fund,
14 together with interest on the withdrawn amount from the date of
15 withdrawal to the date of repayment at a rate to be determined by
16 the board. The repayment under this section may be made by lump
17 sum or repaid over a period of time not to exceed sixty months.
18 Where the member elects to repay the required amount other than by
19 lump sum, the member is required to pay interest at the rate
20 determined by the board until all sums are fully repaid.

21 (e) Effective July 1, 2005, and ending December 31, 2006, any
22 emergency services personnel may purchase service credit for the
23 time period beginning January 1, 1990, and ending December 31,
24 1995: *Provided*, That person was employed as an emergency service
25 person in this state for that time period: *Provided, however*, That
26 any person obtaining service credit under this subsection is

1 required to pay the employee's share and the employer's share upon
2 his or her actual salary for the years in question plus interest at
3 the assumed actuarial rate of return for the plan year being
4 repurchased.

5 (f) Jobs for West Virginia's Graduates and their successors in
6 interest shall provide a pension plan in lieu of the Public
7 Employees Retirement System for employees hired on or after July 1,
8 2005.

9 (g) Wetzel County Hospital and their successors in interest
10 shall provide a pension plan in lieu of the Public Employees
11 Retirement System for employees hired on or after July 1, 2005.

NOTE: The purpose of this bill is to change the effective dates a member may purchase credited service previously forfeited by him or her and have the credited service restored to his or her credit.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.