

H. B. 2766

(By Delegates Pethtel, Canterbury, Givens,
Ennis, Guthrie and D. Poling)

(By request of the Consolidated Public Retirement Board)

[Introduced January 24, 2011; referred to the
Committee on Pensions and Retirement then Finance.]

**FISCAL
NOTE**

A BILL to amend and reenact §7-14D-7 of the Code of West Virginia, 1931, as amended, relating to the authority of the West Virginia Consolidated Public Retirement Board to determine the participating employer contribution rate for the Deputy Sheriff Retirement System.

Be it enacted by the Legislature of West Virginia:

That §7-14D-7 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 14D. DEPUTY SHERIFF RETIREMENT SYSTEM ACT.

§7-14D-7. Members' contributions; employer contributions.

(a) There shall be deducted from the monthly salary of each member and paid into the fund an amount equal to eight and one-half percent of his or her monthly salary. An additional amount shall be paid to the fund by the county commission of the county in which the member is employed in covered employment in an amount determined by the board. ~~Provided, That in no year may the total of the contributions provided in this section, to be paid by the~~

1 ~~county commission, exceed ten and one half percent of the total~~
2 ~~payroll for the members in the employ of the county commission~~ If
3 the board finds that the benefits provided by this article can be
4 actually funded with a lesser contribution, then the board shall
5 reduce the required member or employer contributions or both. The
6 sums withheld each calendar month shall be paid to the fund no
7 later than fifteen days following the end of the calendar month.

8 (b) Any active member who has concurrent employment in an
9 additional job or jobs and the additional employment requires the
10 deputy sheriff to be a member of another retirement system which is
11 administered by the Consolidated Public Retirement Board pursuant
12 to article ten-d, chapter five of this code shall make an
13 additional contribution to the fund of eight and one half percent
14 of his or her monthly salary earned from any additional employment
15 which requires the deputy sheriff to be a member of another
16 retirement which is administered by the Consolidated Public
17 Retirement Board pursuant to article ten-d, chapter five of this
18 code. An additional amount shall be paid to the fund by the
19 concurrent employer for which the member is employed in an amount
20 determined by the board. ~~Provided, That in no year may the total of~~
21 ~~the contributions provided in this section, to be paid by the~~
22 ~~concurrent employer, exceed ten and one half percent of the monthly~~
23 ~~salary of the employee~~ If the board finds that the benefits
24 provided by this article can be funded with a lesser contribution,

1 then the board shall reduce the required member or employer
2 contributions or both. The sums withheld each calendar month shall
3 be paid to the fund no later than fifteen days following the end of
4 the calendar month.

5 (c) Based on the provisions of section three, article
6 fourteen-d, chapter seven of this code, the participating public
7 employers' contributions to the retirement system, as determined by
8 the Consolidated Public Retirement Board by legislative rule
9 promulgated in accordance with the provisions of article three,
10 chapter twenty-nine-a of this code, shall be a percent of the
11 members' monthly salary related to benefits under this retirement
12 system. In determining the amount, the board shall give
13 consideration to setting the amount at a sum equal to an amount
14 which will be sufficient to provide for the total normal cost of
15 the benefits expected to become payable to all members and to
16 amortize any unfunded liability found by application of the
17 actuarial funding method chosen for that purpose by the
18 Consolidated Public Retirement Board, over a period of years
19 determined actuarially appropriate. When proposing a rule for
20 promulgation which relates to the amount of employer contribution,
21 the board may promulgate emergency rules pursuant to the provisions
22 of article three, chapter twenty-nine-a of this code, if the
23 inability of the board to increase employer contributions will
24 detrimentally affect the actuarial soundness of the retirement

1 system. A signed statement from the state actuary shall accompany
2 the statement of facts and circumstances constituting an emergency
3 which shall be filed in the State Register. For purposes of this
4 section, subdivision (2), subsection (b), section fifteen-a,
5 article three, chapter twenty-nine-a of this code is not applicable
6 to the Secretary of State's determination of whether an emergency
7 rule should be approved.

8 ~~(c)~~ (d) If any change or employer error in the records of any
9 participating public employer or the retirement system results in
10 any member receiving from the system more or less than he or she
11 would have been entitled to receive had the records been correct,
12 the board shall correct the error, and as far as is practicable
13 shall adjust the payment of the benefit in a manner that the
14 actuarial equivalent of the benefit to which the member was
15 correctly entitled shall be paid. Any employer error resulting in
16 an underpayment to the retirement system may be corrected by the
17 member remitting the required employee contribution and the
18 participating public employer remitting the required employer
19 contribution. Interest shall accumulate in accordance with the
20 retirement board reinstatement interest as established in
21 Legislative Rule 162 CSR 7, and any accumulating interest owed on
22 the employee and employer contributions resulting from the employer
23 error shall be the responsibility of the participating public
24 employer. The participating public employer may remit total

1 payment and the employee reimburse the participating public
2 employer through payroll deduction over a period equivalent to the
3 time period during which the employer error occurred.

NOTE: The purpose of this bill is to clarify the authority of the West Virginia Consolidated Public Retirement Board to determine the participating employer contribution rate under the provisions of the Deputy Sheriff Retirement System and to remove the ten and one-half percent cap on total employer contributions paid by the county commissions and concurrent employers.

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