

1 COMMITTEE SUBSTITUTE

2 FOR

3 **H. B. 4332**

4 (By Delegates Stowers, R. Phillips and Barker)

5  
6 (Originating in the Committee on Finance)

7 [February 22, 2012]

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9  
10 A BILL to amend and reenact §16-5V-9 of the Code of West Virginia,  
11 1931, as amended, relating to transfer of service credit from  
12 Public Employees Retirement System to Emergency Medical  
13 Services Retirement System.

14 *Be it enacted by the Legislature of West Virginia:*

15 That §16-5V-9 of the Code of West Virginia, 1931, as amended,  
16 be amended and reenacted to read as follows:

17 **ARTICLE 5V. EMERGENCY MEDICAL SERVICES RETIREMENT SYSTEM ACT.**

18 **§16-5V-9. Transfer from Public Employees Retirement System.**

19 (a) The Consolidated Public Retirement Board shall, within one  
20 hundred eighty days of the effective date of the transfer of an  
21 emergency medical services officer from the Public Employees  
22 Retirement System to the plan, transfer assets from the Public  
23 Employees Retirement System Trust Fund into the West Virginia  
24 Emergency Medical Services Trust Fund.

25 (b) Except as provided in subsection (e) of this section, the

1 amount of assets to be transferred for each transferring emergency  
2 medical services officer shall be computed as of January 1, 2008,  
3 using July 1, 2007, actuarial valuation of the Public Employees  
4 Retirement System, and updated with seven and one-half percent  
5 annual interest to the date of the actual asset transfer. The  
6 market value of the assets of the transferring emergency medical  
7 services officer in the Public Employees Retirement System shall be  
8 determined as of the end of the month preceding the actual  
9 transfer. To determine the computation of the asset share to be  
10 transferred the board shall:

11 (1) Compute the market value of the Public Employees  
12 Retirement System assets as of July 1, 2007, actuarial valuation  
13 date under the actuarial valuation approved by the board;

14 (2) Compute the actuarial accrued liabilities for all Public  
15 Employees Retirement System retirees, beneficiaries, disabled  
16 retirees and terminated inactive members as of July 1, 2007,  
17 actuarial valuation date;

18 (3) Compute the market value of active member assets in the  
19 Public Employees Retirement System as of July 1, 2007, by reducing  
20 the assets value under subdivision (1) of this subsection by the  
21 inactive liabilities under subdivision (2) of this subsection;

22 (4) Compute the actuarial accrued liability for all active  
23 Public Employees Retirement System members as of July 1, 2007,  
24 actuarial valuation date approved by the board;

25 (5) Compute the funded percentage of the active members'  
26 actuarial accrued liabilities under the Public Employees Retirement

1 System as of July 1, 2007, by dividing the active members' market  
2 value of assets under subdivision (3) of this subsection by the  
3 active members' actuarial accrued liabilities under subdivision (4)  
4 of this subsection;

5 (6) Compute the actuarial accrued liabilities under the Public  
6 Employees Retirement System as of July 1, 2007, for active  
7 emergency medical services officers transferring to the Emergency  
8 Medical Services Retirement System;

9 (7) Determine the assets to be transferred from the Public  
10 Employees Retirement System to the Emergency Medical Services  
11 Retirement System by multiplying the active members' funded  
12 percentage determined under subdivision (5) of this subsection by  
13 the transferring active members' actuarial accrued liabilities  
14 under the Public Employees Retirement System under subdivision (6)  
15 of this subsection and adjusting the asset transfer amount by  
16 interest at seven and five-tenths percent for the period from the  
17 calculation date of July 1, 2007, through the first day of the  
18 month in which the asset transfer is to be completed.

19 (c) Once an emergency medical services officer has elected to  
20 transfer from the Public Employees Retirement System, transfer of  
21 that amount as calculated in accordance with the provisions of  
22 subsection (b) of this section, or subsection (e) if applicable,  
23 by the Public Employees Retirement System shall operate as a  
24 complete bar to any further liability to the Public Employees  
25 Retirement System and constitutes an agreement whereby the  
26 transferring emergency medical services officer forever indemnifies

1 and holds harmless the Public Employees Retirement System from  
2 providing him or her any form of retirement benefit whatsoever  
3 until that emergency medical services officer obtains other  
4 employment which would make him or her eligible to reenter the  
5 Public Employees Retirement System with no credit whatsoever for  
6 the amounts transferred to the Emergency Medical Services  
7 Retirement System.

8 (d) Eligible emergency medical services officers that transfer  
9 from plans other than the Public Employees Retirement System shall  
10 have service recognized under this plan through the purchase of the  
11 service through payment by the member of sixty percent of the  
12 actuarial accrued liabilities which would result if the service is  
13 credited under the Emergency Medical Services Retirement System  
14 subject to the following:

15 (1) The service may be purchased in one-year increments of  
16 eligible service or for the total period of eligible service;

17 (2) Payment must begin within twelve months of the effective  
18 date of this article;

19 (3) Payment must be made in either a one-time lump sum payment  
20 received by the board no later than December 31, 2008, or in  
21 regular installment payments payable over sixty months with the  
22 initial installment received by the board on or before December 31,  
23 2008;

24 (4) The rate of interest applicable to regular installment  
25 payments for the purchase of service shall be the actuarial  
26 interest rate assumption as approved by the board for completing

1 the actuarial valuation for the plan year immediately preceding the  
2 first day of the plan year in which the service purchase is made,  
3 compounded per annum;

4 (5) Once payments commence, selection of the period of service  
5 being purchased may not be amended; and

6 (6) Service will be credited only upon receipt by the board of  
7 all payments due.

8 (e) Notwithstanding any provision of this code to the  
9 contrary, any Emergency Medical Services director who: (1) is an  
10 active member of the Public Employees Retirement System; and  
11 (2) has, or obtains within one year of the effective date of the  
12 amendments to this section enacted during the 2012 regular session  
13 of the Legislature, basic or higher emergency management technician  
14 certification, is eligible to transfer service credit from the  
15 Public Employees Retirement System to the Emergency Medical  
16 Services Retirement System, upon payment of associated costs by the  
17 transferring director. The board shall compute the actuarially  
18 appropriate amount of any increased benefit cost of transfer to be  
19 borne by the transferring director to be paid according to terms  
20 established by the board. Any Emergency Medical Services director  
21 who transfers to the Emergency Medical Services Retirement System  
22 pursuant to the provisions of this subsection shall apply for the  
23 transfer to the board within one year of the effective date of the  
24 amendments to this section enacted during the 2012 regular session  
25 of the Legislature. Upon receipt of the total payment of all  
26 associated costs by the transferring director, the board shall

1 compute the amount of assets to be transferred from the Public  
2 Employees Retirement System to the Emergency Medical Retirement  
3 System and shall transfer the assets within six months of the  
4 receipt of the application. Any director transferring into the  
5 retirement system as provided in this subsection is prohibited from  
6 retiring within three years of transfer.

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