

1 **H. B. 2854**

2
3 (By Delegate Hunt)

4 [Introduced March 6, 2013; referred to the
5 Committee on Pensions and Retirement then Finance.]

6 **FISCAL**
7 **NOTE**

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9
10 A BILL to amend and reenact §5-10-18 of the Code of West Virginia,
11 1931, as amended, relating to reentry into the Public
12 Employees Retirement System by members of the Legislature;
13 providing for each election or reelection to the Legislature
14 to begin a new time period in which forfeited service credit
15 may be restored.

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

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

19 **ARTICLE 10. WEST VIRGINIA PUBLIC EMPLOYEES RETIREMENT ACT.**

20 **§5-10-18. Termination of membership; reentry.**

21 (a) When a member of the retirement system retires, withdraws
22 his or her accumulated contributions, or dies, he or she ceases to
23 be a member. When a member leaves the employ of a participating

1 public employer for any reason other than retirement or death, and
2 withdraws his or her accumulated contributions from the system, he
3 or she ceases to be a member and forfeits service credited to him
4 or her at that time. If he or she becomes reemployed by a
5 participating public employer he or she shall be reinstated as a
6 member of the retirement system and his or her credited service
7 last forfeited by him or her shall be restored to his or her
8 credit: *Provided*, That he or she must be reemployed for a period
9 of one year or longer to have the service restored: *Provided*,
10 *however*, That he or she returns to the members' deposit fund the
11 amount, if any, he or she withdrew from the fund, together with
12 regular interest on the withdrawn amount from the date of
13 withdrawal to the date of repayment, and that the repayment begins
14 within two years of the return to employment and that the full
15 amount is repaid within five years of the return to employment:
16 *Provided further*, That for purposes of this subsection, each
17 election or reelection of a person as a member of the Legislature
18 shall be considered a new return to employment. Any failure to
19 repay the full amount in accordance with this section shall be
20 treated as an overpayment or excess contribution subject to section
21 forty-four of this article.

22 (b) The Presteria Center for Mental Health Services, Valley
23 Comprehensive Mental Health Center, Westbrook Health Services and
24 Eastern Panhandle Mental Health Center, and their successors in

1 interest, shall provide for their employees a pension plan in lieu
2 of the Public Employees Retirement System during the existence of
3 the named mental health centers and their successors in interest.

4 (c) The administrative bodies of the Prestera Center for
5 Mental Health Services, Valley Comprehensive Mental Health Center,
6 Westbrook Health Services and Eastern Panhandle Mental Health
7 Center shall, on or before May 1, 1997, give written notice to each
8 employee who is a member of the Public Employees Retirement System
9 of the option to withdraw from or remain in the system. The notice
10 shall include a copy of this section and a statement explaining the
11 member's options regarding membership. The notice shall include a
12 statement in plain language giving a full explanation and actuarial
13 projection figures in support of the explanation regarding the
14 individual member's current account balance, vested and nonvested,
15 and his or her projected return upon remaining in the Public
16 Employees Retirement System until retirement, disability or death,
17 in comparison with the projected return upon withdrawing from the
18 Public Employees Retirement System and joining a private pension
19 plan provided by the Community Mental Health Center and remaining
20 therein until retirement, disability or death. The administrative
21 bodies shall keep in their respective records a permanent record of
22 each employee's signature confirming receipt of the notice.

23 (d) Effective March 1, 2003, and ending December 31, 2004, any
24 member may purchase credited service previously forfeited by him or

1 her and the credited service shall be restored to his or her
2 credit: *Provided*, That he or she returns to the members' deposit
3 fund the amount, if any, he or she withdrew from the fund, together
4 with interest on the withdrawn amount from the date of withdrawal
5 to the date of repayment at a rate to be determined by the board.
6 The repayment under this section may be made by lump sum or repaid
7 over a period of time not to exceed sixty months. Where the member
8 elects to repay the required amount other than by lump sum, the
9 member is required to pay interest at the rate determined by the
10 board until all sums are fully repaid.

11 (e) Effective July 1, 2005, and ending December 31, 2006, any
12 emergency services personnel may purchase service credit for the
13 time period beginning January 1, 1990, and ending December 31,
14 1995: *Provided*, That person was employed as an emergency service
15 person in this state for that time period: *Provided, however*, That
16 any person obtaining service credit under this subsection is
17 required to pay the employee's share and the employer's share upon
18 his or her actual salary for the years in question plus interest at
19 the assumed actuarial rate of return for the plan year being
20 repurchased.

21 (f) Jobs for West Virginia's graduates and their successors
22 in interest shall provide a pension plan in lieu of the Public
23 Employees Retirement System for employees hired on or after July 1,
24 2005.

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

NOTE: The purpose of this bill is to consider election or reelection to a term as a member of the Legislature as a new return to employment, for purposes of restoring forfeited service credit in the Public Employees Retirement System.

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