

Senate Bill No. 583

(By Senator Kirkendoll)

[Introduced March 20, 2013; referred to the Committee on
Pensions; and then to the Committee on Finance.]

**FISCAL
NOTE**

9
10 A BILL to amend and reenact §16-5V-9 of the Code of West Virginia,
11 1931, as amended, relating to transfer from Public Employees
12 Retirement System to the Emergency Medical Services Retirement
13 System; and providing that a transferring director has
14 thirty-six months from the date of application to pay all
15 associated costs.

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

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

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

20 **§16-5V-9. Transfer from Public Employees Retirement System.**

21 (a) The Consolidated Public Retirement Board shall, within one
22 hundred eighty days of the effective date of the transfer of an
23 emergency medical services officer from the Public Employees

1 Retirement System to the plan, transfer assets from the Public
2 Employees Retirement System Trust Fund into the West Virginia
3 Emergency Medical Services Trust Fund.

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

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

18 (2) Compute the actuarial accrued liabilities for all Public
19 Employees Retirement System retirees, beneficiaries, disabled
20 retirees and terminated inactive members as of July 1, 2007,
21 actuarial valuation date;

22 (3) Compute the market value of active member assets in the
23 Public Employees Retirement System as of July 1, 2007, by reducing
24 the assets value under subdivision (1) of this subsection by the

1 inactive liabilities under subdivision (2) of this subsection;

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

5 (5) Compute the funded percentage of the active members'
6 actuarial accrued liabilities under the Public Employees Retirement
7 System as of July 1, 2007, by dividing the active members' market
8 value of assets under subdivision (3) of this subsection by the
9 active members' actuarial accrued liabilities under subdivision (4)
10 of this subsection;

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

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

1 (c) Once an emergency medical services officer has elected to
2 transfer from the Public Employees Retirement System, transfer of
3 that amount as calculated in accordance with the provisions of
4 subsection (b) of this section, or subsection (e) if applicable by
5 the Public Employees Retirement System shall operate as a complete
6 bar to any further liability to the Public Employees Retirement
7 System and constitutes an agreement whereby the transferring
8 emergency medical services officer forever indemnifies and holds
9 harmless the Public Employees Retirement System from providing him
10 or her any form of retirement benefit whatsoever until that
11 emergency medical services officer obtains other employment which
12 would make him or her eligible to reenter the Public Employees
13 Retirement System with no credit whatsoever for the amounts
14 transferred to the Emergency Medical Services Retirement System.

15 (d) Eligible emergency medical services officers that transfer
16 from plans other than the Public Employees Retirement System shall
17 have service recognized under this plan through the purchase of the
18 service through payment by the member of sixty percent of the
19 actuarial accrued liabilities which would result if the service is
20 credited under the Emergency Medical Services Retirement System
21 subject to the following:

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

24 (2) Payment must begin within twelve months of the effective

1 date of this article;

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

6 (4) The rate of interest applicable to regular installment
7 payments for the purchase of service shall be the actuarial interest
8 rate assumption as approved by the board for completing the
9 actuarial valuation for the plan year immediately preceding the
10 first day of the plan year in which the service purchase is made,
11 compounded per annum;

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

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

16 (e) Notwithstanding any provision of this code to the contrary,
17 any Emergency Medical Services director who: (1) Is an active member
18 of the Public Employees Retirement System; and (2) has, or obtains
19 within one year of the effective date of the amendments to this
20 section enacted during the 2012 regular session of the Legislature,
21 basic or higher emergency management technician certification, is
22 eligible to transfer service credit from the Public Employees
23 Retirement System to the Emergency Medical Services Retirement
24 System, upon payment of associated costs by the transferring

1 director. The board shall compute the actuarially appropriate
2 amount of any increased benefit cost of transfer to be borne by the
3 transferring director to be paid according to terms established by
4 the board. Any Emergency Medical Services director who transfers to
5 the Emergency Medical Services Retirement System pursuant to the
6 provisions of this subsection shall apply for the transfer to the
7 board within one year of the effective date of the amendments to
8 this section enacted during the 2012 regular session of the
9 Legislature: Provided, That the transferring director has
10 thirty-six months from the date of application to pay all associated
11 costs. Upon receipt of the total payment of all associated costs
12 by the transferring director, the board shall compute the amount of
13 assets to be transferred from the Public Employees Retirement System
14 to the Emergency Medical Retirement System and shall transfer the
15 assets within six months of the receipt of the application. Any
16 director transferring into the retirement system as provided in this
17 subsection is prohibited from retiring within three years of
18 transfer.

NOTE: The purpose of this bill is to provide that a transferring director from the Public Employees Retirement System to the Emergency Medical Services Retirement System has thirty-six months from the date of application to pay all associated costs.

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