

1 **ENROLLED**

2 **Senate Bill No. 452**

3 (BY SENATORS KIRKENDOLL, CANN, EDGELL, CARMICHAEL AND PLYMALE)

4
5 _____
6 [Passed February 19, 2014; in effect ninety days from passage.]
7 _____
8
9

10 AN ACT to amend and reenact §5-13-2 and §5-13-4 of the Code of West
11 Virginia, 1931, as amended, all relating to the Teachers
12 Retirement System annuity calculation for reciprocal service
13 credit; defining "teacher final average salary"; and providing
14 procedure for annuity calculation for reciprocal service.

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

16 That §5-13-2 and §5-13-4 of the Code of West Virginia, 1931,
17 as amended, be amended and reenacted, all to read as follows:

18 **ARTICLE 13. PUBLIC EMPLOYEES' AND TEACHERS' RECIPROCAL SERVICE**
19 **CREDIT ACT.**

20 **§5-13-2. Definitions.**

21 The following words and phrases as used in this article,
22 unless a different meaning is clearly indicated by the context,

1 shall have the following meanings:

2 (a) "Accumulated contributions" means the sum of the amounts
3 deducted from the compensation of a member and credited to his or
4 her individual account in a state system, together with interest,
5 if any, credited thereto.

6 (b) "Annuity" means the annuity payable by a state system.

7 (c) "Member" means a member of either the West Virginia Public
8 Employees Retirement System or the State Teachers Retirement
9 System. The term "member" does not include any person who has
10 retired under either state system.

11 (d) "Public final average salary" means a member's final
12 average salary computed according to the law governing the public
13 system. In computing his or her public final average salary, the
14 compensation, if any, received by the member for services rendered
15 in positions covered by the teacher system shall be used in the
16 same manner as if the compensation were received for services
17 covered by the public system.

18 (e) "Public system" means the West Virginia Public Employees
19 Retirement System established in article ten, chapter five of this
20 code.

21 (f) "Reciprocal service credit" for a member of the public
22 system who subsequently becomes a member of the teacher system, or
23 vice versa, means the sum of his or her credited service in force

1 acquired as a member of the public system and his or her credited
2 service in force acquired as a member of the teacher system.

3 (g) "State system" means the West Virginia Public Employees
4 Retirement System and the State Teachers Retirement System.

5 (h) "Teacher final average salary" means a member's final
6 average salary computed according to the law governing the teacher
7 system. In computing his or her teacher final average salary, the
8 compensation, if any, received by the member for services rendered
9 in positions covered by the public system shall be used in the same
10 manner as if the compensation were received for services covered by
11 the teacher system.

12 (i) "Teacher system" means the State Teachers Retirement
13 System established in article seven-a, chapter eighteen of this
14 code.

15 (j) The masculine gender includes the feminine, and words of
16 the singular number with respect to persons include the plural
17 number, and vice versa.

18 **§5-13-4. Reciprocal service.**

19 In the event a member leaves a position covered by the public
20 system and within five years thereafter becomes employed in a
21 position covered by the teacher system, or a member leaves the
22 position covered by the teacher system and within five years
23 thereafter becomes employed in a position covered by the public

1 system, in either case, the following provisions shall apply.

2 (a) A member's reciprocal service credit in force shall be
3 used to satisfy the service requirements for retirement under the
4 state system from which he or she retires.

5 (b) If a member, who has reciprocal service credit in force,
6 retires under the public system, he or she shall receive an annuity
7 payable by the public system and an annuity payable by the teacher
8 system. His or her public system annuity shall be based upon: (1)
9 The portion of his or her reciprocal service credit acquired as a
10 member of the public system; and (2) his or her public final
11 average salary. The member's teacher system annuity shall be based
12 upon: (1) The portion of his or her reciprocal service credit
13 acquired as a member of the teacher system; and (2) his or her
14 teachers' final average salary as provided by the teachers
15 retirement act. His or her teacher system annuity shall begin as
16 of the date he or she retires under the public system, but in no
17 case prior to the date the member would have been eligible to
18 retire under the teacher system if all his or her reciprocal
19 service credit had been acquired as a member of the teacher system.

20 (c) If a member, who has reciprocal service credit in force,
21 retires under the teacher system, he or she shall receive an
22 annuity payable by the teacher system and an annuity payable by the
23 public system. The member's teacher system annuity shall be based

1 upon: (1) The portion of his or her reciprocal service credit
2 acquired as a member of the teacher system; and (2) his or her
3 teachers' final average salary as provided by the teachers
4 retirement act. His or her public system annuity shall be based
5 upon: (1) The portion of the reciprocal service credit acquired as
6 a member of the public system; and (2) his or her public final
7 average salary. His or her public system annuity shall begin as of
8 the date he or she retired under the teacher system, but in no case
9 prior to the date he or she would have been eligible to retire
10 under the public system if all his or her reciprocal service credit
11 had been acquired as a member of the public system.