

**H. B. 2814**

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(By Delegates Pasdon, Statler, Kurcaba, Reynolds, Miller, Morgan,  
Westfall, Walters, Ashley and McCuskey

[Introduced February 19, 2015; referred to the  
Committee on Finance.]

**FISCAL  
NOTE**

A BILL to amend and reenact §5-16-4 of the Code of West Virginia, 1931, as amended, relating to  
expanding membership of the Public Employees Insurance Agency Finance Board.

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

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

**ARTICLE 16. THE PUBLIC EMPLOYEES INSURANCE ACT.**

**§5-16-4. Public Employees Insurance Agency Finance Board continued; qualifications, terms  
and removal of members; quorum; compensation and expenses; termination  
date.**

(a) The Public Employees Insurance Agency Finance Board is continued and consists of the  
Secretary of the Department of Administration or his or her designee and ~~ten~~ twelve members  
appointed by the Governor, with the advice and consent of the Senate. The appointed members serve  
for terms of four years and each may serve until his or her successor is appointed and qualified.  
Members may be reappointed for successive terms. No more than ~~six~~ seven members, including the

1 Secretary of the Department of Administration, may be of the same political party.

2 (b) ~~(1) Of the ten members appointed by the Governor with advice and consent of the Senate~~

3 The twelve members are appointed as follows:

4 (1) One member shall represent representing the interests of education employees, to be  
5 selected from a list of three names submitted by the largest organization of education employees in  
6 this state;

7 (2) One shall represent member representing the interests of public employees;

8 (3) One shall represent member representing the interests of retired employees;

9 (4) One shall represent member representing the interests of organized labor, to be selected  
10 from a list of three names submitted by the state's largest organization representing labor affiliates;

11 (5) One shall represent member representing the interests of a participating political  
12 subdivision;

13 (6) One member representing the interests of higher education, to be selected from a list of  
14 three names submitted by the state institution of higher education with the most full-time employees;

15 (7) One member who is an executive level employee representing the insurance industry; and

16 (8) Five shall be members selected from the public at large, each of whom has ~~The Governor~~  
17 ~~shall appoint the member representing the interests of education employees from a list of three~~  
18 ~~names submitted by the largest organization of education employees in this state. The Governor shall~~  
19 ~~appoint the member representing the interests of organized labor from a list of three names submitted~~  
20 ~~by the state's largest organization representing labor affiliates. The five members appointed from~~  
21 ~~the public shall each have experience in the financing, development or management of employee~~  
22 ~~benefit programs.~~

1           ~~(2)~~ (c) All appointments shall be selected to represent the different geographical areas within  
 2 the state and all members shall be residents of West Virginia. ~~No~~ A member may not be removed  
 3 from office by the Governor except for official misconduct, incompetence, neglect of duty, neglect  
 4 of fiduciary duty or other specific responsibility imposed by this article or gross immorality.

5           ~~(c)~~ (d) The Secretary of the Department of Administration shall serve as chair. ~~of the finance~~  
 6 ~~board, which~~ The board shall meet at times and places specified by the call of the chair or upon the  
 7 written request to the chair of at least two members. The Director of the Public Employees Insurance  
 8 Agency shall serve as staff to the board. The director shall give notice of each meeting ~~shall be given~~  
 9 in writing to each member ~~by the director~~ at least three days in advance of the meeting. ~~Six~~ Seven  
 10 members constitute a quorum. The board shall pay each member the same compensation and  
 11 expense reimbursement that is paid to members of the Legislature for their interim duties for each  
 12 day or portion of a day engaged in the discharge of official duties.

13           ~~(d)~~ (e) Upon termination of the board and notwithstanding any provisions in this article to  
 14 the contrary, the director is authorized to assess monthly employee premium contributions and to  
 15 change the types and levels of costs to employees only in accordance with this subsection. Any  
 16 assessments or changes in costs imposed pursuant to this subsection shall be implemented by  
 17 legislative rule proposed by the director for promulgation pursuant to the provisions of article three,  
 18 chapter twenty-nine-a of this code. Any employee assessments or costs previously authorized by the  
 19 finance board shall ~~then~~ remain in effect until amended by rule of the director promulgated pursuant  
 20 to this subsection.

NOTE: The purpose of this bill is to increase the membership of the PEIA Finance Board to

include an insurance industry representative and a representative from higher education.

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