

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Committee Substitute

for

Senate Bill 392

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AND TRUMP

[Originating in the Committee on Government
Organization; reported on February 24, 2016.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
2 designated §18-2-16b, relating to transferring Cedar Lakes Camp and Conference Center
3 from the West Virginia Board of Education to the Department of Agriculture; providing that
4 employees are will and pleasure employees and are exempt from classified service; and
5 transferring Cedar Lakes Camp and Conference Center employee pensions from the
6 Teachers Retirement System Trust Fund into the Public Employees Retirement System
7 Trust Fund.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
2 section, designated §18-2-16b, to read as follows:

ARTICLE 2. STATE BOARD OF EDUCATION.

§18-2-16b. State camp and conference center; property transferred; powers and duties of

Commissioner of Agriculture.

1 (a) Effective July 1, 2016, the state camp and conference center known as the Cedar
2 Lakes Camp and Conference Center and its facilities, authorized to be owned and operated by
3 the West Virginia Board of Education under sections sixteen and sixteen-a, article two, chapter
4 eighteen of this code is transferred to the Department of Agriculture. All real and personal property
5 held by the West Virginia Board of Education, including all operating funds for the operations of
6 the camp and conference center, and all employees of the West Virginia Board of Education
7 primarily dedicated to those operations, are transferred to the Department of Agriculture. All
8 employees shall become will and pleasure employees in accordance with section four, article six,
9 chapter twenty-nine of this code, and are exempt from coverage by classified service. The
10 Commissioner of the Department of Agriculture is given all those powers, duties and
11 responsibilities relating to the state camp and conference center previously vested in the West
12 Virginia Board of Education and its Division of Vocational Education.

13 (b) All active full-time, permanent employees transferred to the Department of Agriculture

14 pursuant to subsection (a) shall participate in the Public Employees Retirement System beginning
15 July 1, 2016. Notwithstanding any of the provisions of article ten, chapter five, employees
16 transferred pursuant to this section shall be considered a member of the Public Employees
17 Retirement System as of their original date of hire with the Cedar Lake Camp and Conference
18 Center.

19 (c) The Consolidated Public Retirement Board shall transfer assets and service credit from
20 the Teachers Retirement System Trust Fund into the Public Employees Retirement System Trust
21 Fund for those employees who were members in the Teachers Retirement System no later than
22 December 30, 2016. The amount of service credit recognized by the Teachers Retirement
23 System as of June 30, 2016 for the transferring employees shall be the service credit transferred
24 and recognized by the Public Employees Retirement System.

25 The amount of assets to be transferred for each employee who is a member of the
26 Teachers Retirement System shall be computed as of July 1, 2016 using the July 1, 2015 actuarial
27 valuation of the Teachers Retirement System, and updated with seven and one half percent
28 annual interest to the date of the actual asset transfer. The market value of the assets of the
29 transferring employees in the Teachers Retirement System shall be determined as of the end of
30 the month preceding the actual transfer. To determine the computation of the asset share to be
31 transferred, the Consolidated Public Retirement Board shall:

32 (1) Compute the market value of the Teachers Retirement System assets as of the July
33 1, 2015 actuarial valuation date under the actuarial valuation approved by the Consolidated Public
34 Retirement Board;

35 (2) Compute the actuarial accrued liabilities for all Teachers Retirement System retirees,
36 beneficiaries, disabled retirees and terminated inactive members as of the July 1, 2015 actuarial
37 valuation date;

38 (3) Compute the market value of active member assets in the Teachers Retirement
39 System as of July 1, 2015 by reducing the assets value under subdivision (1) of this subsection

40 by the inactive liabilities under subdivision (2) of this subsection;

41 (4) Compute the actuarial accrued liability for all active Teachers Retirement System
42 members as of the July 1, 2015 actuarial valuation date approved by the Consolidated Public
43 Retirement Board;

44 (5) Compute the funded percentage of the active members' actuarial accrued liabilities
45 under the Teachers Retirement System as of July 1, 2015 by dividing the active members' market
46 value of assets under subdivision (3) of this subsection by the active members' actuarial accrued
47 liabilities under subdivision (4) of this subsection;

48 (6) Compute the actuarial accrued liabilities under the Teachers Retirement System as of
49 July 1, 2015 for active employees transferring to the Public Employees Retirement System;

50 (7) Determine the assets to be transferred from the Teachers Retirement System to the
51 Public Employees Retirement System by multiplying the active members' funded percentage
52 determined under subdivision (5) of this subsection by the transferring active members' actuarial
53 accrued liabilities under the Teachers Retirement System under subdivision (6) of this subsection
54 and adjusting the asset transfer amount by interest at seven and five tenths percent for the period
55 from the calculation date of July 1, 2015, through the first day of the month in which the asset
56 transfer is to be completed.

57 (d) Once an employee transfers from the Teachers Retirement System to the Public
58 Employees Retirement System, the Teachers Retirement System shall bar any further liability
59 and said transfer will constitute an agreement whereby the transferring employee forever
60 indemnifies and holds harmless the Teachers Retirement System from providing him or her any
61 form of retirement benefit whatsoever until that employee obtains other employment which would
62 make him or her eligible to reenter the Teachers Retirement System with no credit whatsoever
63 for the amounts transferred to the Public Employees Retirement System.

64 (e) Assets for employees who are members in the Teachers Defined Contribution System
65 pursuant to article seven-b, chapter eighteen, shall remain invested in his or her Teachers Defined

- 66 Contribution retirement account until termination of employment with the Department of
67 Agriculture.

NOTE: The purpose of this bill is to transfer the Cedar Lakes Camp and Conference Center from the West Virginia Board of Education to the Department of Agriculture.

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