

# WEST VIRGINIA LEGISLATURE

## 2016 REGULAR SESSION

**Introduced**

### **House Bill 4187**

**FISCAL  
NOTE**

BY DELEGATES KURCABA, KELLY, STATLER, WELD,  
AZINGER, WAGNER, CAMPBELL, PUSHKIN AND TRECOST

[Introduced January 20, 2016;

Referred to the Committee on Banking and Insurance  
then Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,  
2 designated §5-16-27, relating to creating a special fund named “the Public Employee  
3 Health Insurance Fund,” requiring that all savings realized from changes in retirement  
4 benefits enacted by 2015 Senate Bill No. 520 be deposited into the special fund, requiring  
5 that the Consolidated Public Retirement Board present an actuarial valuation of savings  
6 to the Governor on an annual basis, requiring the Governor to submit the amount of  
7 savings to the Legislature as part of the annual budget or in an executive message, and  
8 requiring that all moneys deposited in the special fund be directed to fund health care  
9 benefits or reduce insurance premiums for public employees.

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

1 That the Code of West Virginia, 1931, as amended, be amended and reenacted by adding  
2 thereto a new section, designated §5-16-27, to read as follows:

**ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.**

**§5-16-27. Public Employee Health Insurance Fund.**

1 (a) Definitions. -- For the purposes of this section “2015 Senate Bill 529” means Second  
2 Enrolled Senate Bill No. 529, passed by the West Virginia Legislature during the 2015 regular  
3 legislative session, signed by the Governor on April 3, 2015, and appearing as Chapter two  
4 hundred four in the Acts of the Legislature of West Virginia, Regular Session, 2015.

5 (b) There is hereby created in the State Treasury a special revenue account designated  
6 the “Public Employee Health Insurance Fund” to be administered by the Department of  
7 Administration.

8 (c) Effective July 1, 2016, any monetary savings realized as a result of the changes to  
9 retirement benefit entitlements and calculations enacted by 2015 Senate Bill No. 529 must be  
10 deposited into the Public Employee Health Insurance Fund.

11 (d) The Consolidated Public Retirement Board will determine the annual amount of the  
12 savings resulting from the enactment of 2015 Senate Bill No. 529, based on the annual actuarial

- 13 valuation as of the first day of July following the end of each fiscal year, and certify the amount to  
14 the Governor by January 31 of that fiscal year. The Governor will then submit the amount of the  
15 savings as part of the annual budget submission or in an executive message to the Legislature.  
16 (e) All moneys in the Public Employee Health Insurance Fund are to be used to fund health  
17 insurance benefits provided to public employees pursuant to this article or to reduce premium  
18 costs for public employee insurance plans.

NOTE: The purpose of this bill is to create a special fund named “the Public Employee Health Insurance Fund;” to require that all savings realized from changes in retirement benefits enacted by 2015 Senate Bill No. 529 be deposited into the special fund, to require that the Consolidated Public Retirement Board present an actuarial valuation of savings to the Governor on an annual basis, to require the Governor to submit the amount of savings to the Legislature as part of the annual budget or in an executive message, and to require that all moneys deposited in the special fund be directed to fund health care benefits or to reduce insurance premiums for public employees.

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