

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

Senate Bill 355

**FISCAL
NOTE**

BY SENATOR GAUNCH

[Introduced February 20, 2017; Referred
to the Committee on Pensions; and then to the Committee
on Finance]

1 A BILL to amend and reenact §5-10-27b of the Code of West Virginia, 1931, as amended; to
 2 amend and reenact §7-14D-9b of said code; to amend and reenact §8-22A-11 of said
 3 code; to amend and reenact §15-2-45 of said code; to amend and reenact §15-2A-6b of
 4 said code; to amend and reenact §16-5V-13 of said code; to amend and reenact §18-7A-
 5 28b of said code; to amend and reenact §18-7B-12a of said code; and to amend and
 6 reenact §51-9-12b of said code, all relating to required minimum distribution of retirement
 7 benefits of plans administered by the Consolidated Public Retirement Board; clarifying
 8 treatment of benefits in the event of a member’s death; and bringing code into conformity
 9 with federal law.

Be it enacted by the Legislature of West Virginia:

1 That §5-10-27b of the Code of West Virginia, 1931, as amended, be amended and
 2 reenacted; that §7-14D-9b of said code be amended and reenacted; that §8-22A-11 of said code
 3 be amended and reenacted; that §15-2-45 of said code be amended and reenacted; that §15-2A-
 4 6b of said code be amended and reenacted; that §16-5V-13 of said code be amended and
 5 reenacted; that §18-7A-28b of said code be amended and reenacted; that §18-7B-12a of said
 6 code be amended and reenacted; and that §51-9-12b of said code be amended and reenacted,
 7 all to read as follows:

**CHAPTER 5. GENERAL POWERS AND AUTHORITY OF THE
 GOVERNOR, SECRETARY OF STATE AND ATTORNEY GENERAL;
 BOARD OF PUBLIC WORKS; MISCELLANEOUS AGENCIES,
 COMMISSIONS, OFFICES, PROGRAMS, ETC.**

ARTICLE 10. WEST VIRGINIA PUBLIC EMPLOYEES RETIREMENT ACT.

§5-10-27b. Federal law minimum required distributions.

1 The requirements of this section apply to any distribution of a member's or beneficiary's

2 interest and take precedence over any inconsistent provisions of this code. This provision applies
3 to plan years beginning after December 31, 1986. Notwithstanding anything in this code to the
4 contrary, the payment of benefits under this article shall be determined and made in accordance
5 with Section 401(a)(9) of the Internal Revenue Code and the federal regulations promulgated
6 thereunder as applicable to governmental plans. Terms used in this section which are defined in
7 the aforesaid Section of the Internal Revenue Code and related regulations, have the same
8 meaning herein unless a different definition or meaning is expressly stated. For this purpose, the
9 following provisions apply:

10 (a) The payment of benefits under the retirement system to any member shall be
11 distributed to him or her not later than the required beginning date, or be distributed to him or her
12 commencing not later than the required beginning date, in accordance with regulations prescribed
13 under Section 401(a)(9) of the Internal Revenue Code, over the life of the member or over the
14 lives of the member and his or her beneficiary or over a period not extending beyond the life
15 expectancy of the member and his or her beneficiary: Provided, That the requirements of this
16 section shall not be construed to grant a right to a form of benefit which is not otherwise available
17 to a particular member under this retirement system. Benefit payments under this section shall
18 not be delayed pending, or contingent upon, receipt of an application for retirement from the
19 member.

20 (b) If a member dies after distribution to him or her has commenced pursuant to this
21 section but before his or her entire interest in the retirement system has been distributed, then
22 the remaining portion of that interest shall be distributed at least as rapidly as under the method
23 of distribution being used at the date of his or her death.

24 (c) If a member dies before distribution to him or her has commenced, then his or her
25 entire interest in the retirement system ~~will~~ shall be distributed by December 31 of the calendar
26 year containing the fifth anniversary of the member's death, ~~except as follows~~ unless the
27 provisions of subsection-d of this section apply.

28 ~~(1)~~ (d) If a member dies before distribution to him or her has commenced, and such
29 member's interest is payable eligible to be paid in the form of a survivor annuity to a designated
30 beneficiary, distributions may shall be made over the life of that beneficiary or over a period certain
31 not greater than the life expectancy of that beneficiary, commencing on or before the following:

32 (1) If the member has more than one designated beneficiary (including, for this purpose,
33 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
34 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
35 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
36 receiving one hundred percent of the survivor benefit, distributions shall commence on or before
37 December 31 of the calendar year immediately following the calendar year in which the member
38 died; or

39 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
40 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
41 hundred percent of the survivor benefit, the date distributions are required to begin shall be no
42 later than the later shall commence on or before the later of:

43 (A) December 31 of the calendar year in which the member would have attained age
44 seventy and one-half; or

45 (B) ~~The earlier of:~~ (i) December 31 of the calendar year immediately following the calendar
46 year in which the member died; ~~or (ii) December 31 of the calendar year following the calendar~~
47 ~~year in which the spouse died.~~

48 (e) If a member dies before distribution to him or her has commenced and the survivor
49 annuity provisions of subsection (d) of this section are not applicable, any designated beneficiary
50 who is eligible to receive a distribution pursuant to the provisions of subsection-c of this section
51 may elect to have life expectancy treatment apply to the distribution for purposes of determining
52 whether any portion of the distribution is an eligible rollover distribution (rather than five year rule
53 treatment which will apply in the absence of an election hereunder): *Provided*, That any such

54 election shall not delay the required distribution of the deceased member's entire interest in the
 55 retirement system beyond December 31 of the calendar year containing the fifth anniversary of
 56 the member's death: *Provided, however,* That the election is timely made in a form acceptable to
 57 the board on or before the following:

58 (1) If the member has more than one designated beneficiary (including, for this purpose,
 59 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
 60 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
 61 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
 62 receiving one hundred percent of the survivor benefit, election of life expectancy treatment must
 63 be made on or before December 31 of the calendar year immediately following the calendar year
 64 in which the member died; or

65 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
 66 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
 67 hundred percent of the survivor benefit, election of life expectancy treatment must be made on or
 68 before the earlier of (A) or (B) below:

69 (A) The later of (i) December 31 of the calendar year immediately following the calendar
 70 year in which the member died, or (ii) December 31 of the calendar year in which the member
 71 would have attained age seventy and one-half; or

72 (B) October 31 of the calendar year containing the fifth anniversary of the member's death.

CHAPTER 7. COUNTY COMMISSIONS AND OFFICERS.

ARTICLE 14D. DEPUTY SHERIFF RETIREMENT SYSTEM ACT.

§7-14D-9b. Federal law minimum required distributions.

1 The requirements of this section apply to any distribution of a member's or beneficia ry's
 2 interest and take precedence over any inconsistent provisions of this plan. This section applies to
 3 plan years beginning after December 31, 1986. Notwithstanding anything in the plan to the

4 contrary, the payment of benefits under this article shall be determined and made in accordance
5 with Section 401(a)(9) of the Internal Revenue Code and the regulations thereunder as applicable
6 to governmental plans. Terms used in this section which are defined in the aforesaid Section of
7 the Internal Revenue Code and related regulations, shall have the same meaning herein unless
8 a different definition or meaning is expressly stated. For this purpose, the following provisions
9 apply:

10 (a) The payment of benefits under the plan to any member shall be distributed to him or
11 her not later than the required beginning date, or be distributed to him or her commencing not
12 later than the required beginning date, in accordance with regulations prescribed under Section
13 401(a)(9) of the Internal Revenue Code, over the life of the member or over the lives of the
14 member and his or her beneficiary or over a period not extending beyond the life expectancy of
15 the member and his or her beneficiary: Provided, That the requirements of this section shall not
16 be construed to grant a right to a form of benefit which is not otherwise available to a particular
17 member under this retirement system. Benefit payments under this section shall not be delayed
18 pending, or contingent upon, receipt of an application for retirement from the member.

19 (b) If a member dies after distribution to him or her has commenced pursuant to this
20 section but before his or her entire interest in the plan has been distributed, then the remaining
21 portion of that interest shall be distributed at least as rapidly as under the method of distribution
22 being used at the date of his or her death.

23 (c) If a member dies before distribution to him or her has commenced, then his or her
24 entire interest in the plan shall be distributed by December 31 of the calendar year containing the
25 fifth anniversary of the member's death ~~except as follows~~ unless the provisions of subsection-d
26 of this section apply.

27 ~~(d)~~ (d) If a member dies before distribution to him or her has commenced, and the
28 member's interest is payable eligible to be paid in the form of a survivor annuity to a designated
29 beneficiary, distributions may shall be made over the life of that beneficiary or over a period certain

30 not greater than the life expectancy of the beneficiary, commencing on or before the following:

31 (1) If the member has more than one designated beneficiary (including, for this purpose,
32 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
33 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
34 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
35 receiving one hundred percent of the survivor benefit, distributions shall commence on or before
36 December 31 of the calendar year immediately following the calendar year in which the member
37 died; or

38 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
39 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
40 hundred percent of the survivor benefit, the date distributions are required to begin shall be no
41 later than the later shall commence on or before the later of:

42 (A) December 31 of the calendar year in which the member would have attained age
43 seventy and one-half; or

44 (B) ~~The earlier of:~~ (i) December 31 of the calendar year immediately following the calendar
45 year in which the member died; ~~or (ii) December 31 of the calendar year following the calendar~~
46 ~~year in which the spouse died.~~

47 (e) If a member dies before distribution to him or her has commenced and the survivor
48 annuity provisions of subsection (d) of this section are not applicable, any designated beneficiary
49 who is eligible to receive a distribution pursuant to the provisions of subsection (c) of this section
50 may elect to have life expectancy treatment apply to such distribution for purposes of determining
51 whether any portion of such distribution is an eligible rollover distribution (rather than five year
52 rule treatment which will apply in the absence of an election hereunder): *Provided*, That any such
53 election may not delay the required distribution of the deceased member's entire interest in the
54 retirement system beyond December 31 of the calendar year containing the fifth anniversary of
55 the member's death: *Provided, however*, That the election is timely made in a form acceptable to

56 the board on or before the following:

57 (1) If the member has more than one designated beneficiary (including, for this purpose,
58 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
59 survivor benefit), or if the sole designated beneficiary is neither the member’s surviving spouse
60 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
61 receiving one hundred percent of the survivor benefit, election of life expectancy treatment must
62 be made on or before December 31 of the calendar year immediately following the calendar year
63 in which the member died; or

64 (2) If the member’s sole designated beneficiary is either the surviving spouse or a former
65 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
66 hundred percent of the survivor benefit, election of life expectancy treatment must be made on or
67 before the earlier of (A) or (B) below:

68 (A) The later of: (i) December 31 of the calendar year immediately following the calendar
69 year in which the member died, or (ii) December 31 of the calendar year in which the member
70 would have attained age seventy and one-half; or

71 (B) October 31 of the calendar year containing the fifth anniversary of the member’s death.

CHAPTER 8. MUNICIPAL CORPORATIONS.

**ARTICLE 22A - WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND
FIREFIGHTERS RETIREMENT SYSTEM.**

§8-22A-11. Federal law minimum required distributions.

1 The requirements of this section apply to any distribution of a member's or beneficiary's
2 interest and take precedence over any inconsistent provisions of this plan. This section applies to
3 plan years beginning after December 31, 1986. Notwithstanding anything in the plan to the
4 contrary, the payment of benefits under this article shall be determined and made in accordance
5 with Section 401(a)(9) of the Internal Revenue Code and its regulations promulgated thereunder

6 as applicable to governmental plans. Terms used in this section which are defined in the aforesaid
7 Section of the Internal Revenue Code and related regulations, have the same meaning herein
8 unless a different definition or meaning is expressly stated. For this purpose, the following
9 provisions apply:

10 (a) The payment of benefits under the plan to any member shall be distributed to him or
11 her not later than the required beginning date, or be distributed to him or her commencing not
12 later than the required beginning date, in accordance with regulations prescribed under Section
13 401(a)(9) of the Internal Revenue Code, over the life of the member or over the lives of the
14 member and his or her beneficiary or over a period not extending beyond the life expectancy of
15 the member and his or her beneficiary: Provided, That the requirements of this section shall not
16 be construed to grant a right to a form of benefit which is not otherwise available to a particular
17 member under this retirement system. Benefit payments under this section shall not be delayed
18 pending, or contingent on, receipt of an application for retirement from the member.

19 (b) If a member dies after distribution to him or her has commenced pursuant to this
20 section but before his or her entire interest in the plan has been distributed, then the remaining
21 portion of that interest shall be distributed at least as rapidly as under the method of distribution
22 being used at the date of his or her death.

23 (c) If a member dies before distribution to him or her has commenced, then his or her
24 entire interest in the plan shall be distributed by December 31 of the calendar year containing the
25 fifth anniversary of the member's death ~~except as follows~~ unless the provisions of subsection (d)
26 of this section apply.

27 ~~(d)~~ (d) If a member dies before distribution to him or her has commenced, and the
28 member's interest is payable eligible to be paid in the form of a survivor annuity to a designated
29 beneficiary, distributions may shall be made over the life of that beneficiary or over a period certain
30 not greater than the life expectancy of the beneficiary, commencing on or before the following:

31 (1) If the member has more than one designated beneficiary (including, for this purpose,

32 an alternate payee of a Qualified Domestic Relations Order who is entitled to a portion of the
33 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
34 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
35 receiving one hundred percent of the survivor benefit, distributions shall commence on or before
36 December 31 of the calendar year immediately following the calendar year in which the member
37 died; or

38 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
39 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
40 hundred percent of the survivor benefit, the date distributions are required to begin shall be no
41 later than the later shall commence on or before the later of:

42 (A) December 31 of the calendar year in which the member would have attained age
43 seventy and one-half; or

44 (B) ~~The earlier of:~~ (i) December 31 of the calendar year immediately following the calendar
45 year in which the member died; ~~or (ii) December 31 of the calendar year following the calendar~~
46 ~~year in which the spouse died.~~

47 (e) If a member dies before distribution to him or her has commenced and the survivor
48 annuity provisions of subsection (d) of this section are not applicable, any designated beneficiary
49 who is eligible to receive a distribution pursuant to the provisions of subsection (c) of this section
50 may elect to have life expectancy treatment apply to such distribution for purposes of determining
51 whether any portion of such distribution is an eligible rollover distribution (rather than five year
52 rule treatment which will apply in the absence of an election hereunder): *Provided*, That any such
53 election shall not delay the required distribution of the deceased member's entire interest in the
54 retirement system beyond December 31 of the calendar year containing the fifth anniversary of
55 the member's death: *Provided, however*, That the election is timely made in a form acceptable to
56 the board on or before the following:

57 (1) If the member has more than one designated beneficiary (including, for this purpose,

58 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
 59 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
 60 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
 61 receiving one hundred percent of the survivor benefit, election of life expectancy treatment must
 62 be made on or before December 31 of the calendar year immediately following the calendar year
 63 in which the member died; or

64 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
 65 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
 66 hundred percent of the survivor benefit, election of life expectancy treatment must be made on or
 67 before the earlier of (A) or (B) below:

68 (A) The later of: (i) December 31 of the calendar year immediately following the calendar
 69 year in which the member died; or (ii) December 31 of the calendar year in which the member
 70 would have attained age seventy and one-half; or

71 (B) October 31 of the calendar year containing the fifth anniversary of the member's death.

CHAPTER 15. PUBLIC SAFETY.

ARTICLE 2. WEST VIRGINIA STATE POLICE.

§15-2-45. Federal law minimum required distributions.

1 The requirements of this section apply to any distribution of a member's or beneficiary's
 2 interest and take precedence over any inconsistent provisions of this code. This section applies
 3 to plan years beginning after December 31, ~~1998~~ 1986. Notwithstanding anything in the retirement
 4 system to the contrary, the payment of benefits under this article shall be determined and made
 5 in accordance with Section 401(a)(9) of the Internal Revenue Code and the regulations
 6 thereunder as applicable to governmental plans. Terms used in this section which are defined in
 7 the aforesaid Section of the Internal Revenue Code and related regulations, shall have the same
 8 meaning herein unless a different definition or meaning is expressly stated. For this purpose, the

9 following provisions apply:

10 (a) The payment of benefits under the fund to any member shall be distributed to him or
11 her not later than the required beginning date, or be distributed to him or her commencing not
12 later than the required beginning date, in accordance with regulations prescribed under Section
13 401(a)(9) of the Internal Revenue Code, over the life of the member or over the lives of the
14 member and his or her beneficiary, or over a period not extending beyond the life expectancy of
15 the member and his or her beneficiary: Provided, That the requirements of this section may not
16 be construed to grant a right to a form of benefit which is not otherwise available to a particular
17 member under this retirement system. For purposes of this section, the term "required beginning
18 date" means April 1 of the calendar year following the later of: (i) The calendar year in which the
19 member attains age seventy and one-half; or (ii) the calendar year in which the member retires
20 or otherwise ceases providing covered service under this fund. Benefit payments under this
21 section shall not be delayed pending, or contingent upon, receipt of an application for retirement
22 from the member.

23 (b) If a member dies after distribution to him or her has commenced pursuant to this
24 section but before his or her entire interest in the retirement system has been distributed, then
25 the remaining portion of that interest shall be distributed at least as rapidly as under the method
26 of distribution being used at the date of his or her death.

27 (c) If a member dies before distribution to him or her has commenced, then his or her
28 entire interest in the fund shall be distributed by December 31 of the calendar year containing the
29 fifth anniversary of the member's death ~~except as follows~~ unless the provisions of subsection (d)
30 of this section apply.

31 ~~(4)~~ (d) If a member dies before distribution to him or her has commenced, and the
32 member's interest is payable eligible to be paid in the form of a survivor annuity to a designated
33 beneficiary, distributions may shall be made over the life of that beneficiary or over a period certain
34 not greater than the life expectancy of the beneficiary commencing on or before the following:

35 (1) If the member has more than one designated beneficiary (including, for this purpose,
36 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
37 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
38 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
39 receiving one hundred percent of the survivor benefit, distributions shall commence on or before
40 December 31 of the calendar year immediately following the calendar year in which the member
41 died; or

42 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
43 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
44 hundred percent of the survivor benefit, the date distributions are required to begin shall be no
45 later than the later shall commence on or before the later of:

46 (A) December 31 of the calendar year in which the member would have attained age
47 seventy and one-half; or

48 (B) ~~The earlier of:~~ (i) December 31 of the calendar year immediately following the calendar
49 year in which the member died; or (ii) ~~December 31 of the calendar year following the calendar~~
50 ~~year in which the spouse died.~~

51 (e) If a member dies before distribution to him or her has commenced and the survivor
52 annuity provisions of subsection (d) of this section are not applicable, any designated beneficiary
53 who is eligible to receive a distribution pursuant to the provisions of subsection (c) of this section
54 may elect to have life expectancy treatment apply to the distribution for purposes of determining
55 whether any portion of the distribution is an eligible rollover distribution (rather than five year rule
56 treatment which will apply in the absence of an election hereunder): *Provided*, That any such
57 election shall not delay the required distribution of the deceased member's entire interest in the
58 retirement system beyond December 31 of the calendar year containing the fifth anniversary of
59 the member's death: *Provided, however*, That the election is timely made in a form acceptable to
60 the board on or before the following:

61 (1) If the member has more than one designated beneficiary (including, for this purpose,
 62 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
 63 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
 64 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
 65 receiving one hundred percent of the survivor benefit, election of life expectancy treatment must
 66 be made on or before December 31 of the calendar year immediately following the calendar year
 67 in which the member died; or

68 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
 69 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
 70 hundred percent of the survivor benefit, election of life expectancy treatment must be made on or
 71 before the earlier of (A) or (B) below:

72 (A) The later of (i) December 31 of the calendar year immediately following the calendar
 73 year in which the member died, or (ii) December 31 of the calendar year in which the member
 74 would have attained age seventy and one-half; or

75 (B) October 31 of the calendar year containing the fifth anniversary of the member's death.

ARTICLE 2A. WEST VIRGINIA STATE POLICE RETIREMENT SYSTEM.

§15-2A-6b. Federal law minimum required distributions.

1 The requirements of this section apply to any distribution of a member's interest and take
 2 precedence over any inconsistent provisions of this retirement system. This section applies to
 3 plan years beginning after December 31, 1986. Notwithstanding anything in the retirement system
 4 to the contrary, the payment of benefits under this article shall be determined and made in
 5 accordance with Section 401(a)(9) of the Internal Revenue Code and the regulations thereunder
 6 as applicable to governmental plans. Terms used in this section which are defined in the aforesaid
 7 Section of the Internal Revenue Code and related regulations, have the same meaning herein
 8 unless a different definition or meaning is expressly stated. For this purpose, the following
 9 provisions apply:

10 (a) The payment of benefits under the retirement system to any member shall be
11 distributed to him or her not later than the required beginning date, or be distributed to him or her
12 commencing not later than the required beginning date, in accordance with regulations prescribed
13 under Section 401(a)(9) of the Internal Revenue Code, over the life of the member or over the
14 lives of the member and his or her beneficiary or over a period not extending beyond the life
15 expectancy of the member and his or her beneficiary: Provided, That the requirements of this
16 section may not be construed to grant a right to a form of benefit which is not otherwise available
17 to a particular member under this retirement system. Benefit payments under this section shall
18 not be delayed pending, or contingent upon, receipt of an application for retirement from the
19 member.

20 (b) If a member dies after distribution to him or her has commenced pursuant to this
21 section but before his or her entire interest in the retirement system has been distributed, then
22 the remaining portion of that interest shall be distributed at least as rapidly as under the method
23 of distribution being used at the date of his or her death.

24 (c) If a member dies before distribution to him or her has commenced, then his or her
25 entire interest in the retirement system shall be distributed by December 31 of the calendar year
26 containing the fifth anniversary of the member's death, ~~except as follows~~ unless the provisions of
27 subsection (d) of this section apply.

28 ~~(d)~~ (d) If a member dies before distribution to him or her has commenced and the
29 member's interest is payable eligible to be paid in the form of a survivor annuity to a designated
30 beneficiary, distributions may shall be made over the life of that beneficiary or over a period certain
31 not greater than the life expectancy of the beneficiary commencing on or before the following:

32 (1) If the member has more than one designated beneficiary (including, for this purpose,
33 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
34 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
35 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is

36 receiving one hundred percent of the survivor benefit, distributions shall commence on or before
37 December 31 of the calendar year immediately following the calendar year in which the member
38 died; or

39 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
40 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
41 hundred percent of the survivor benefit, the date distributions are required to begin shall be no
42 later than the later shall commence on or before the later of:

43 (A) December 31 of the calendar year in which the member would have attained age
44 seventy and one-half; or

45 (B) ~~The earlier of:~~ (i) December 31 of the calendar year immediately following the calendar
46 year in which the member died; or (ii) ~~December 31 of the calendar year following the calendar~~
47 ~~year in which the spouse died.~~

48 (e) If a member dies before distribution to him or her has commenced and the survivor
49 annuity provisions of subsection (d) of this section are not applicable, any designated beneficiary
50 who is eligible to receive a distribution pursuant to the provisions of subsection (c) of this section
51 may elect to have life expectancy treatment apply to such distribution for purposes of determining
52 whether any portion of such distribution is an eligible rollover distribution (rather than five year
53 rule treatment which will apply in the absence of an election hereunder): *Provided*, That any such
54 election shall not delay the required distribution of the deceased member's entire interest in the
55 retirement system beyond December 31 of the calendar year containing the fifth anniversary of
56 the member's death: *Provided, however*, That the election is timely made in a form acceptable to
57 the board on or before the following:

58 (1) If the member has more than one designated beneficiary (including, for this purpose,
59 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
60 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
61 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is

62 receiving one hundred percent of the survivor benefit, election of life expectancy treatment must
63 be made on or before December 31 of the calendar year immediately following the calendar year
64 in which the member died; or

65 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
66 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
67 hundred percent of the survivor benefit, election of life expectancy treatment must be made on or
68 before the earlier of (A) or (B) below:

69 (A) The later of (i) December 31 of the calendar year immediately following the calendar
70 year in which the member died, or (ii) December 31 of the calendar year in which the member
71 would have attained age seventy and one-half; or

72 (B) October 31 of the calendar year containing the fifth anniversary of the member's death.

CHAPTER 16. PUBLIC HEALTH.

ARTICLE 5V. EMERGENCY MEDICAL SERVICES RETIREMENT SYSTEM ACT.

§16-5V-13. Federal law minimum required distributions.

1 The requirements of this section apply to any distribution of a member's or beneficiary's
2 interest and take precedence over any inconsistent provisions of this plan. This section applies to
3 plan years beginning after December 31, 1986. Notwithstanding anything in the plan to the
4 contrary, the payment of benefits under this article shall be determined and made in accordance
5 with Section 401(a)(9) of the Internal Revenue Code and its regulations promulgated thereunder
6 as applicable to governmental plans. Terms used in this section which are defined in the aforesaid
7 Section of the Internal Revenue Code and related regulations, have the same meaning herein
8 unless a different definition or meaning is expressly stated. For this purpose, the following
9 provisions apply:

10 (a) The payment of benefits under the plan to any member shall be distributed to him or
11 her not later than the required beginning date, or be distributed to him or her commencing not

12 later than the required beginning date, in accordance with regulations prescribed under Section
13 401(a)(9) of the Internal Revenue Code, over the life of the member or over the lives of the
14 member and his or her beneficiary or over a period not extending beyond the life expectancy of
15 the member and his or her beneficiary: Provided, That the requirements of this section may not
16 be construed to grant a right to a form of benefit which is not otherwise available to a particular
17 member under this retirement system. Benefit payments under this section shall not be delayed
18 pending, or contingent upon, receipt of an application for retirement from the member.

19 (b) If a member dies after distribution to him or her has commenced pursuant to this
20 section but before his or her entire interest in the plan has been distributed, then the remaining
21 portion of that interest shall be distributed at least as rapidly as under the method of distribution
22 being used at the date of his or her death.

23 (c) If a member dies before distribution to him or her has commenced, then his or her
24 entire interest in the plan shall be distributed by December 31 of the calendar year containing the
25 fifth anniversary of the member's death ~~except as follows~~ unless the provisions of subsection (d)
26 of this section apply.

27 (4) ~~(d)~~ If a member dies before distribution to him or her commenced, and the member's
28 interest is payable eligible to be paid in the form of a survivor annuity to a designated beneficiary,
29 distributions may shall be made over the life of that beneficiary or over a period certain not greater
30 than the life expectancy of the beneficiary, commencing on or before the following:

31 (1) If the member has more than one designated beneficiary (including, for this purpose,
32 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
33 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
34 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
35 receiving one hundred percent of the survivor benefit, distributions shall commence on or before
36 December 31 of the calendar year immediately following the calendar year in which the member
37 died; or

38 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
39 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
40 hundred percent of the survivor benefit, the date distributions are required to begin shall be no
41 later than the later shall commence on or before the later of:

42 (A) December 31 of the calendar year in which the member would have attained age
43 seventy and one-half; or

44 (B) ~~The earlier of:~~ (i) December 31 of the calendar year immediately following the calendar
45 year in which the member died; or (ii) ~~December 31 of the calendar year following the calendar~~
46 ~~year in which the spouse died.~~

47 (e) If a member dies before distribution to him or her has commenced and the survivor
48 annuity provisions of subsection (d) of this section are not applicable, any designated beneficiary
49 who is eligible to receive a distribution pursuant to the provisions of subsection (c) of this section
50 may elect to have life expectancy treatment apply to the distribution for purposes of determining
51 whether any portion of the distribution is an eligible rollover distribution (rather than five year rule
52 treatment which will apply in the absence of an election hereunder): *Provided*, That any such
53 election shall not delay the required distribution of the deceased member's entire interest in the
54 retirement system beyond December 31 of the calendar year containing the fifth anniversary of
55 the member's death: *Provided, however*, That the election is timely made in a form acceptable to
56 the board on or before the following:

57 (1) If the member has more than one designated beneficiary (including, for this purpose,
58 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
59 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
60 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
61 receiving one hundred percent of the survivor benefit, election of life expectancy treatment must
62 be made on or before December 31 of the calendar year immediately following the calendar year
63 in which the member died; or

64 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
65 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
66 hundred percent of the survivor benefit, election of life expectancy treatment must be made on or
67 before the earlier of (A) or (B) below:

68 (A) The later of (i) December 31 of the calendar year immediately following the calendar
69 year in which the member died, or (ii) December 31 of the calendar year in which the member
70 would have attained age seventy and one-half; or

71 (B) October 31 of the calendar year containing the fifth anniversary of the member's death.

CHAPTER 18. EDUCATION.

ARTICLE 7A. STATE TEACHERS RETIREMENT SYSTEM.

§18-7A-28b. Federal law minimum required distributions.

1 The requirements of this section apply to any distribution of a member's or beneficiary's
2 interest and take precedence over any inconsistent provisions of this retirement system. This
3 section applies to plan years beginning after December 31, 1986. Notwithstanding anything in the
4 retirement system to the contrary, the payment of benefits under this article shall be determined
5 and made in accordance with Section 401(a)(9) of the Internal Revenue Code and the regulations
6 thereunder as applicable to governmental plans. Terms used in this section which are defined in
7 the aforesaid Section of the Internal Revenue Code and related regulations, have the same
8 meaning herein unless a different definition or meaning is expressly stated. For this purpose, the
9 following provisions apply:

10 (a) The payment of benefits under the retirement system to any member shall be
11 distributed to him or her not later than the required beginning date, or be distributed to him or her
12 commencing not later than the required beginning date, in accordance with regulations prescribed
13 under Section 401(a)(9) of the Internal Revenue Code, over the life of the member or over the
14 lives of the member and his or her beneficiary or over a period not extending beyond the life

15 expectancy of the member and his or her beneficiary: Provided, That the requirements of this
16 section may not be construed to grant a right to a form of benefit which is not otherwise available
17 to a particular member under this retirement system. Benefit payments under this section shall
18 not be delayed pending, or contingent upon, receipt of an application for retirement from the
19 member.

20 (b) If a member dies after distribution to him or her has commenced pursuant to this
21 section but before his or her entire interest in the retirement system has been distributed, then
22 the remaining portion of that interest shall be distributed at least as rapidly as under the method
23 of distribution being used at the date of his or her death.

24 (c) If a member dies before distribution to him or her has commenced, then his or her
25 entire interest in the retirement system shall be distributed by December 31 of the calendar year
26 containing the fifth anniversary of the member's death ~~except as follows~~ unless the provisions of
27 subsection (d) of this section apply.

28 ~~(4)~~ (d) If a member dies before distribution to him or her has commenced, and the
29 member's interest is payable eligible to be paid in the form of a survivor annuity to a designated
30 beneficiary, distributions may shall be made over the life or over a period certain not greater than
31 the life expectancy of the beneficiary commencing on or before the following:

32 (1) If the member has more than one designated beneficiary (including, for this purpose,
33 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
34 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
35 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
36 receiving one hundred percent of the survivor benefit, distributions shall commence on or before
37 December 31 of the calendar year immediately following the calendar year in which the member
38 died; or

39 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
40 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one

41 hundred percent of the survivor benefit, the date distributions are required to begin shall not be
42 earlier than the later shall commence on or before the later of:

43 (A) December 31 of the calendar year in which the member would have attained age
44 seventy and one-half; or

45 (B) ~~The earlier of:~~ (i) December 31 of the calendar year immediately following the calendar
46 year in which the member died; or (ii) ~~December 31 of the calendar year following the calendar~~
47 ~~year in which the spouse died.~~

48 (e) If a member dies before distribution to him or her has commenced and the survivor
49 annuity provisions of subsection (d) of this section are not applicable, any designated beneficiary
50 who is eligible to receive a distribution pursuant to the provisions of subsection (c) of this section
51 may elect to have life expectancy treatment apply to such distribution for purposes of determining
52 whether any portion of such distribution is an eligible rollover distribution (rather than five year
53 rule treatment which will apply in the absence of an election hereunder): *Provided*, That any such
54 election shall not delay the required distribution of the deceased member's entire interest in the
55 retirement system beyond December 31 of the calendar year containing the fifth anniversary of
56 the member's death: *Provided, however*, That the election is timely made in a form acceptable to
57 the board on or before the following:

58 (1) If the member has more than one designated beneficiary (including, for this purpose,
59 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
60 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
61 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
62 receiving one hundred percent of the survivor benefit, election of life expectancy treatment must
63 be made on or before December 31 of the calendar year immediately following the calendar year
64 in which the member died; or

65 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
66 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one

67 hundred percent of the survivor benefit, election of life expectancy treatment must be made on or
68 before the earlier of (A) or (B) below:

69 (A) The later of (i) December 31 of the calendar year immediately following the calendar
70 year in which the member died, or (ii) December 31 of the calendar year in which the member
71 would have attained age seventy and one-half; or

72 (B) October 31 of the calendar year containing the fifth anniversary of the member's death.

ARTICLE 7B. TEACHERS' DEFINED CONTRIBUTION RETIREMENT SYSTEM.

§18-7B-12a. Federal minimum required distributions.

1 The requirements of this section apply to any distribution of a member's or beneficiary's
2 interest and take precedence over any inconsistent provisions of this defined contribution system.
3 This section applies to plan years beginning after December 31, 1986. Notwithstanding anything
4 in this system to the contrary, the payment of benefits under this article shall be determined and
5 made in accordance with Section 401(a)(9) of the Internal Revenue Code and the regulations
6 thereunder as applicable to governmental plans, including without limitation the incidental death
7 benefit provisions of Section 401(a)(9)(G) of the Internal Revenue Code and the regulations
8 thereunder. Terms used in this section which are defined in the aforesaid Section of the Internal
9 Revenue Code and related regulations, have the same meaning herein unless a different
10 definition or meaning is expressly stated. For this purpose, the following provisions apply:

11 (a) The payment of benefits under the defined contribution system to any member shall
12 be distributed to him or her not later than the required beginning date, or be distributed to him or
13 her commencing not later than the required beginning date, in accordance with regulations
14 prescribed under Section 401(a)(9) of the Internal Revenue Code, over the life of the member or
15 over the lives of the member and his or her beneficiary or over a period not extending beyond the
16 life expectancy of the member and his or her beneficiary: Provided, That the requirements of this
17 section may not be construed to grant a right to a form of benefit which are not otherwise available
18 to a particular member under this retirement system. Benefit payments under this section shall

19 not be delayed pending, or contingent upon, receipt of an application for retirement from the
20 member.

21 (b) If a member dies after distribution to him or her has commenced pursuant to this
22 section but before his or her entire interest in the system has been distributed, then the remaining
23 portion of that interest shall be distributed at least as rapidly as under the method of distribution
24 being used at the date of his or her death.

25 (c) If a member dies before distribution to him or her has commenced, then his or her
26 entire interest in the system shall be distributed by December 31 of the calendar year containing
27 the fifth anniversary of the member's death, ~~except as follows~~ unless the provisions of subsection
28 (d) of this section apply.

29 ~~(1) (d)~~ (d) If a member dies before distribution to him or her has commenced, and the
30 member's interest is payable eligible to be paid in the form of a survivor annuity to a designated
31 beneficiary, distributions may shall be made over the life of that beneficiary or over a period certain
32 not greater than the life expectancy of the beneficiary commencing on or before the following:

33 (1) If the member has more than one designated beneficiary (including, for this purpose,
34 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
35 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
36 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
37 receiving one hundred percent of the survivor benefit, distributions shall commence on or before
38 December 31 of the calendar year immediately following the calendar year in which the participant
39 died; or

40 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
41 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
42 hundred percent of the survivor benefit, the date distributions are required to begin shall be no
43 later than the later shall commence on or before the later of:

44 (A) December 31 of the calendar year in which the member would have attained age

45 seventy and one-half years; or

46 (B) ~~The earlier of: (i) December 31 of the calendar year immediately following the calendar~~
47 ~~year in which the member died; or (ii) December 31 of the calendar year following the calendar~~
48 ~~year in which the spouse died.~~

49 (e) If a member dies before distribution to him or her has commenced and the survivor
50 annuity provisions of subsection (d) of this section are not applicable, any designated beneficiary
51 who is eligible to receive a distribution pursuant to the provisions of subsection (c) of this section
52 may elect to have life expectancy treatment apply to the distribution for purposes of determining
53 whether any portion of the distribution is an eligible rollover distribution (rather than five year rule
54 treatment which will apply in the absence of an election hereunder): *Provided*, That any such
55 election shall not delay the required distribution of the deceased member's entire interest in the
56 retirement system beyond December 31 of the calendar year containing the fifth anniversary of
57 the member's death: *Provided, however*, That the election is timely made in a form acceptable to
58 the board on or before the following:

59 (1) If the member has more than one designated beneficiary (including, for this purpose,
60 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
61 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
62 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
63 receiving one hundred percent of the survivor annuity, election of life expectancy treatment must
64 be made on or before December 31 of the calendar year immediately following the calendar year
65 in which the member died; or

66 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
67 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
68 hundred percent of the survivor benefit, election of life expectancy treatment must be made on or
69 before the earlier of (A) or (B) below:

70 (A) The later of (i) December 31 of the calendar year immediately following the calendar

71 year in which the member died, or (ii) December 31 of the calendar year in which the member
 72 would have attained age seventy and one-half; or

73 (B) October 31 of the calendar year containing the fifth anniversary of the member's death.

74 ~~(d)~~ (f) For purposes of this section, any amount paid to a child of a member will be treated
 75 as if it had been paid to the surviving spouse of the member if the remaining amount becomes
 76 payable to the surviving spouse when the child reaches the age of majority.

CHAPTER 51. COURTS AND THEIR OFFICERS.

ARTICLE 9. RETIREMENT SYSTEM FOR JUDGES OF COURTS OF RECORD.

§51-9-12b. Federal minimum required distributions.

1 The requirements of this section apply to any distribution of a member's or beneficiaries'
 2 interest and take precedence over any inconsistent provisions of this retirement system. This
 3 section applies to plan years beginning after December 31, 1986. Notwithstanding anything in the
 4 retirement system to the contrary, the payment of benefits under this article shall be determined
 5 and made in accordance with Section 401(a)(9) of the Internal Revenue Code and the regulations
 6 thereunder as applicable to governmental plans. Terms used in this section which are defined in
 7 the aforesaid Section of the Internal Revenue Code and related regulations, have the same
 8 meaning herein unless a different definition or meaning is expressly stated. For this purpose, the
 9 following provisions apply:

10 (a) The payment of benefits under the retirement system to any member shall be
 11 distributed to him or her not later than the required beginning date, or be distributed to him or her
 12 commencing not later than the required beginning date, in accordance with ~~Treasury Regulations~~
 13 regulations prescribed under Section 401(a)(9) of the Internal Revenue Code, over the life of the
 14 member or over the lives of the member and his or her beneficiary or over a period not extending
 15 beyond the life expectancy of the member and his or her beneficiary: Provided, That the
 16 requirements of this section may not be construed to grant a right to a form of benefit which is not

17 otherwise available to a particular member under this retirement system. Benefit payments under
18 this section shall not be delayed pending, or contingent upon, receipt of an application for
19 retirement from the member.

20 (b) If a member dies after distribution to him or her has commenced pursuant to this
21 section but before his or her entire interest in the retirement system has been distributed, then
22 the remaining portion of that interest shall be distributed at least as rapidly as under the method
23 of distribution being used at the date of his or her death.

24 (c) If a member dies before distribution to him or her has commenced, then his or her
25 entire interest in the retirement system shall be distributed by December 31 of the calendar year
26 containing the fifth anniversary of the member's death, ~~except as follows~~ unless the provisions of
27 subsection (d) of this section apply.

28 ~~(4)~~ (d) If a member dies before distributions to him or her has commenced, and the
29 member's interest is payable eligible to be paid in the form of a survivor annuity to a designated
30 beneficiary, distributions may shall be made over the life of that beneficiary or over a period certain
31 not greater than the life expectancy of the beneficiary commencing on or before the following:

32 (1) If the member has more than one designated beneficiary (including, for this purpose,
33 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
34 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
35 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
36 receiving one hundred percent of the survivor benefit, distributions shall commence on or before
37 December 31 of the calendar year immediately following the calendar year in which the member
38 died; or

39 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
40 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
41 hundred percent of the survivor benefit, the date distributions are required to begin shall be no
42 later than the later shall commence on or before the later of:

43 (A) December 31 of the calendar year in which the member would have attained age
44 seventy and one-half; or

45 (B) ~~The earlier of: (i) December 31 of the calendar year immediately following the calendar~~
46 ~~year in which the member died; or (ii) December 31 of the calendar year following the calendar~~
47 ~~year in which the spouse died.~~

48 (e) If a member dies before distribution to him or her has commenced and the survivor
49 annuity provisions of subsection (d) of this section are not applicable, any designated beneficiary
50 who is eligible to receive a distribution pursuant to the provisions of subsection (c) of this section
51 may elect to have life expectancy treatment apply to the distribution for purposes of determining
52 whether any portion of the distribution is an eligible rollover distribution (rather than five year rule
53 treatment which will apply in the absence of an election hereunder): *Provided*, That any such
54 election shall not delay the required distribution of the deceased member's entire interest in the
55 retirement system beyond December 31 of the calendar year containing the fifth anniversary of
56 the member's death: *Provided, however*, That the election is timely made in a form acceptable to
57 the board on or before the following:

58 (1) If the member has more than one designated beneficiary (including, for this purpose,
59 an alternate payee under a Qualified Domestic Relations Order who is entitled to a portion of the
60 survivor benefit), or if the sole designated beneficiary is neither the member's surviving spouse
61 nor a former spouse who, as an alternate payee under a Qualified Domestic Relations Order, is
62 receiving one hundred percent of the survivor benefit, election of life expectancy treatment must
63 be made on or before December 31 of the calendar year immediately following the calendar year
64 in which the member died; or

65 (2) If the member's sole designated beneficiary is either the surviving spouse or a former
66 spouse who, as an alternate payee under a Qualified Domestic Relations Order, is receiving one
67 hundred percent of the survivor benefit, election of life expectancy treatment must be made on or
68 before the earlier of (A) or (B) below:

- 69 (A) The later of (i) December 31 of the calendar year immediately following the calendar
70 year in which the member died, or (ii) December 31 of the calendar year in which the member
71 would have attained age seventy and one-half; or
72 (B) October 31 of the calendar year containing the fifth anniversary of the member's death.

NOTE: The purpose of this bill is to update the required minimum distribution laws to be in compliance with federal internal revenue code requirements.

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