

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

Senate Bill 371

BY SENATORS GAUNCH AND BOSO

[Introduced February 21, 2017; Referred
to the Committee on Pensions; and then to the
Committee on Finance]

1 A BILL to amend and reenact §18-7A-11 of the Code of West Virginia, 1931, as amended, relating
 2 to requiring the Consolidated Public Retirement Board to adopt a four-year smoothing
 3 method relating to actuarial gains and losses on Teachers Retirement System Fund
 4 assets.

Be it enacted by the Legislature of West Virginia:

1 That §18-7A-11 of the Code of West Virginia, 1931, as amended, be amended and
 2 reenacted to read as follows:

ARTICLE 7A. STATE TEACHERS RETIREMENT SYSTEM.

§18-7A-11. Records; actuarial data; tables; specification of actuarial assumptions.

1 The retirement board shall maintain an individual account with each member, showing the
 2 amount of the member's contributions and the interest accumulations thereon. It shall collect and
 3 keep in convenient form data as may be necessary for the preparation of the required mortality
 4 and service tables, and for the compilation of such other information as may be needed for the
 5 actuarial valuation of the funds created by this article. The retirement board shall specify and
 6 adopt all actuarial assumptions for the system at its first meeting of every calendar year or as
 7 soon thereafter as may be practicable, which assumptions shall become part of the terms of the
 8 system: Provided, That the retirement board shall adopt smoothing of actuarial gains and losses
 9 on state Teachers Retirement System assets using a four-year smoothing method with no corridor
 10 as an actuarial assumption for valuations used after June 30, 2016, to determine state Teachers
 11 Retirement System funding.

NOTE: The purpose of this bill is to require the Consolidated Public Retirement Board to adopt a four-year smoothing method relating to actuarial gains and losses on Teachers Retirement System Fund assets.

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