

WEST VIRGINIA LEGISLATURE

2018 REGULAR SESSION

Introduced

Senate Bill 277

FISCAL
NOTE

BY SENATORS KARNES, DRENNAN, RUCKER, BOSO, AND

CLINE

[Introduced January 15, 2018; Referred
to the Committee on Pensions; and then to the Committee
on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §5-10D-11, relating to permitting all members of public retirement plans to
 3 cash out of their plans by opting to receive, in lieu of regular benefit payments, the total
 4 cash value of those benefits.

Be it enacted by the Legislature of West Virginia:

ARTICLE 10D. CONSOLIDATED PUBLIC RETIREMENT BOARD.

§5-10D-11. Option to cash out of public retirement systems in lieu of receiving periodic payment of benefits over time.

1 (a) Members of all public retirement plans in the state administered by the Consolidated
 2 Public Retirement Board pursuant to §5-10D-1 et seq. of this code, except the Teachers' Defined
 3 Contribution Retirement System created by §18-7B-1 et seq. of this code, beginning July 1, 2019,
 4 may elect to receive the present value cash equivalent of the anticipated total payout of the
 5 participant's public pension fund benefits in lieu of receiving periodic payment of benefits over
 6 time.

7 (b) Fifty percent of the funds to pay the cash options made available by subsection (a) of
 8 this section shall be paid by the individual retiree's retirement fund and fifty percent shall be paid
 9 from West Virginia's Rainy Day Fund.

10 (c) To implement the provisions of this section, the Consolidated Public Retirement Board
 11 shall propose rules for legislative approval in accordance with the provisions of §29A-3-1 et seq.
 12 of this code.

NOTE: The purpose of this bill is to permit public employees to cash out of their retirement plans instead of receiving periodic pension payments over their lifetimes.

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