

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

Introduced

Senate Bill 703

BY SENATORS PREZIOSO, AZINGER, BEACH, CLEMENTS,
HAMILTON, PLYMALE, RUCKER, WELD, CLINE, HARDESTY,
JEFFRIES, ROMANO, AND ROBERTS

[Introduced February 5, 2020; referred
to the Committee on Education]

1 A BILL to amend and reenact §18B-1-1d of the Code of West Virginia, 1931, as amended, relating
2 to an increase in the earning limit for employees who accept a separation incentive under
3 this article and subsequently return to employment; and amending or removing obsolete,
4 duplicative, or unnecessary language from state code.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. GOVERNANCE.

§18B-1-1d. Retirement and separation incentives.

1 (a) Notwithstanding any other provisions of this code to the contrary, each state institution
2 of higher education may ~~include develop in its strategic plan, pursuant to section one c of this~~
3 ~~article, policies~~ plans that offer various incentives for voluntary, early, or phased retirement of
4 employees or voluntary separation from employment when necessary to implement programmatic
5 changes effectively pursuant to the findings, directives, goals, and objectives of this article:
6 *Provided*, That such incentives for voluntary, early, or phased retirement of employees or
7 voluntary separation from employment must be ~~submitted~~ approved by the institution's governing
8 board and presented to the legislative Joint Committee on Pensions and Retirement and
9 approved before such ~~policies~~ plans are ~~adopted~~ implemented as part of the by the institution's
10 ~~strategic plan~~ institution.

11 ~~(b) Effective July 1, 2001, each state institution of higher education may implement, under~~
12 ~~its institutional compact, created pursuant to section two, article one a of this chapter, policies~~
13 ~~that offer various incentives for voluntary, early or phased retirement of employees, or voluntary~~
14 ~~separation from employment, when necessary to implement programmatic changes effectively:~~
15 ~~Provided, That the institution shall meet all the requirements, including the requirement for~~
16 ~~obtaining legislative approval, set forth in this section~~

17 ~~(c)~~(b) The ~~policies~~ plans may include the following provisions:

18 (1) Payment of a lump sum to an employee to resign or retire;

19 (2) Continuation of full salary to an employee for a predetermined period of time prior to
20 the employee's resignation or retirement and a reduction in the employee's hours of employment
21 during the predetermined period of time;

22 (3) Continuation of insurance coverage pursuant to the provisions of §5-16-1 *et seq.* of
23 this code for a predetermined period;

24 (4) Continuation of full employer contributions to an employee's retirement plan during a
25 phased retirement period; and

26 (5) That an employee retiring pursuant to an early or phased retirement plan may begin
27 collecting an annuity from the employee's retirement plan prior to the statutorily designated
28 retirement date without terminating his or her service with the institution.

29 ~~(d)~~(c) No incentive provided for in this section shall be granted except in furtherance of
30 programmatic changes undertaken pursuant to the findings, directives, goals, and objectives set
31 forth in this article.

32 ~~(e)~~(d) No incentive plan proposed by an institution pursuant to this section shall ~~become~~
33 ~~a part of the institution's approved strategic plan or institutional compact or~~ be implemented
34 without approval of the legislative joint committee on pensions and retirement.

35 Any costs associated with any incentive adopted or implemented in accordance with this
36 section shall be borne entirely by the institutions and no incentive shall be granted that imposes
37 costs on the retirement systems of the state or the Public Employees Insurance Agency unless
38 those costs are paid entirely by the institutions.

39 ~~(f)~~(e) The Legislature further finds and declares that there is a compelling state interest in
40 restricting the availability and application of these incentives to individual employees determined
41 by the institutions to be in furtherance of the aims of this section and nothing herein shall be
42 interpreted as granting a right or entitlement of any such incentive to any individual or group of
43 individuals. Any employee granted incentives shall be ineligible for reemployment by the

44 institutions during or after the negotiated period of his or her incentive concludes, including
45 contract employment in excess of ~~\$5,000~~ \$25,000 per fiscal year.

46 ~~(g)~~(f) The West Virginia network for educational telecomputing may utilize the incentives
47 contained in any ~~policy~~ plan approved by the legislative Joint Committee on Pensions and
48 Retirement pursuant to this section.

NOTE: The purpose of this bill is to increase the earning limit for employees who accept a separation incentive and amend or remove obsolete, duplicative and/or unnecessary language from state code.

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