

# WEST VIRGINIA LEGISLATURE

## 2021 REGULAR SESSION

Introduced

### House Bill 2800

FISCAL  
NOTE

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FERRELL, TONEY, HORNBUCKLE, WAMSLEY AND ROWAN

[Introduced March 01, 2021; Referred to the  
Committee on Pensions and Retirement then  
Finance]

1 A BILL to amend and reenact §5-10-18 of the Code of West Virginia, 1931, as amended, relating  
2 to providing an 11-month window to permit members of the Public Employees Retirement  
3 System to purchase credited service that had been previously forfeited.

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

**ARTICLE 10. WEST VIRGINIA PUBLIC EMPLOYEES RETIREMENT ACT.**

**§5-10-18. Termination of membership; reentry.**

1 (a) When a member of the retirement system retires, withdraws his or her accumulated  
2 contributions, or dies, he or she ceases to be a member. When a member leaves the employ of  
3 a participating public employer for any reason other than retirement or death, and withdraws his  
4 or her accumulated contributions from the system, he or she ceases to be a member and forfeits  
5 service credited to him or her at that time. If he or she becomes reemployed by a participating  
6 public employer he or she shall be reinstated as a member of the retirement system and his or  
7 her credited service last forfeited by him or her shall be restored to his or her credit: *Provided,*  
8 That he or she must be reemployed for a period of one year or longer to have the service restored:  
9 *Provided, however,* That he or she returns to the members' deposit fund the amount, if any, he or  
10 she withdrew from the fund, together with reinstatement interest as set forth in the Board's Rule,  
11 Refund, Reinstatement, Retroactive Service, Loan and Employer Error Interest Factors, 162  
12 C.S.R. 7, on the withdrawn amount from the date of withdrawal to the date of repayment, and that  
13 the repayment begins within two years of the return to employment and that the full amount is  
14 repaid within five years of the return to employment. Any failure to repay the full amount in  
15 accordance with this section shall be treated as an overpayment or excess contribution subject  
16 to §5-10-44 of this code.

17 (b) The Prestera Center for Mental Health Services, Valley Comprehensive Mental Health  
18 Center, Westbrook Health Services, and Eastern Panhandle Mental Health Center, and their  
19 successors in interest, shall provide for their employees a pension plan in lieu of the Public  
20 Employees Retirement System during the existence of the named mental health centers and their

21 successors in interest.

22 (c) The administrative bodies of the Pretera Center for Mental Health Services, Valley  
23 Comprehensive Mental Health Center, Westbrook Health Services, and Eastern Panhandle  
24 Mental Health Center shall, on or before May 1, 1997, give written notice to each employee who  
25 is a member of the Public Employees Retirement System of the option to withdraw from or remain  
26 in the system. The notice shall include a copy of this section and a statement explaining the  
27 member's options regarding membership. The notice shall include a statement in plain language  
28 giving a full explanation and actuarial projection figures in support of the explanation regarding  
29 the individual member's current account balance, vested and nonvested, and his or her projected  
30 return upon remaining in the Public Employees Retirement System until retirement, disability, or  
31 death, in comparison with the projected return upon withdrawing from the Public Employees  
32 Retirement System and joining a private pension plan provided by the Community Mental Health  
33 Center and remaining in the private pension plan until retirement, disability, or death. The  
34 administrative bodies shall keep in their respective records a permanent record of each  
35 employee's signature confirming receipt of the notice.

36 (d) Effective ~~March 1, 2003~~ July 1, 2021, and ending ~~December 31, 2004~~ June 1, 2022,  
37 any member may purchase credited service previously forfeited by him or her and the credited  
38 service shall be restored to his or her credit: *Provided*, That he or she returns to the members'  
39 deposit fund the amount, if any, he, or she withdrew from the fund, together with interest on the  
40 withdrawn amount from the date of withdrawal to the date of repayment at a rate to be determined  
41 by the board. The repayment under this section may be made by lump sum or repaid over a period  
42 of time not to exceed 60 months. Where the member elects to repay the required amount other  
43 than by lump sum, the member is required to pay interest at the rate determined by the board  
44 until all sums are fully repaid.

45 (e) Effective July 1, 2005, and ending December 31, 2006, any emergency services  
46 personnel may purchase service credit for the time period beginning January 1, 1990, and ending

47 December 31, 1995: *Provided*, That the person was employed as an emergency service person  
48 in this state for that time period: *Provided, however*, That any person obtaining service credit  
49 under this subsection is required to pay the employee's share and the employer's share upon his  
50 or her actual salary for the years in question plus interest at the assumed actuarial rate of return  
51 for the plan year being repurchased.

52 (f) Jobs for West Virginia's graduates and their successors in interest shall provide a  
53 pension plan in lieu of the Public Employees Retirement System for employees hired on or after  
54 July 1, 2005.

55 (g) Wetzel County Hospital and their successors in interest shall provide a pension plan  
56 in lieu of the Public Employees Retirement System for employees hired on or after July 1, 2005.

NOTE: The purpose of this bill is to open an enrollment period of 11 months in which certain members of the Public Employees Retirement System may purchase previously forfeited service credit.

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