

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Committee Substitute

for

Senate Bill 221

BY SENATORS BLAIR AND MARONEY

[Originating in the Committee on Government

Organization; reported on March 1, 2017]

1 A BILL to amend and reenact §5-16-4 of the Code of West Virginia, 1931, as amended, relating
2 to the composition of the Public Employees Insurance Agency Finance Board; reducing
3 the number of members; and changing the experience requirements for members.

Be it enacted by the Legislature of West Virginia:

1 That §5-16-4 of the Code of West Virginia, 1931, as amended, be amended and reenacted
2 to read as follows:

ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.

**§5-16-4. Public Employees Insurance Agency Finance Board continued; qualifications,
terms and removal of members; quorum; compensation and expenses; termination
date.**

1 (a) The Public Employees Insurance Agency Finance Board is continued and consists of
2 the Secretary of the Department of Administration or his or her designee and ~~ten~~ eight members
3 appointed by the Governor, with the advice and consent of the Senate, for terms of four years
4 and each may serve until his or her successor is appointed and qualified. Members may be
5 reappointed for successive terms. No more than ~~six~~ five members, including the Secretary of the
6 Department of Administration, may be of the same political party. Effective July 1, 2017, members
7 of the board shall satisfy the qualification requirements provided for by subsection (b) of this
8 section: *Provided*, That any member serving upon the effective date of this section who does not
9 satisfy a requirement of subsection (b) may continue to serve until his or her successor has been
10 appointed and qualified. The Governor shall make appointments necessary to satisfy the
11 requirements of subsection (b) to staggered terms as determined by the Governor.

12 (b) (1) Of the ~~ten~~ eight members appointed by the Governor with advice and consent of
13 the Senate: ~~one member shall represent the interests of education employees, one shall~~
14 ~~represent the interests of public employees, one shall represent the interests of retired~~
15 ~~employees, one shall represent the interests of organized labor, one shall represent the interests~~
16 ~~of a participating political subdivision and five shall be selected from the public at large. The~~

17 ~~Governor shall appoint the member representing the interests of education employees from a list~~
18 ~~of three names submitted by the largest organization of education employees in this state. The~~
19 ~~Governor shall appoint the member representing the interests of organized labor from a list of~~
20 ~~three names submitted by the state's largest organization representing labor affiliates. The five~~
21 ~~members appointed from the public shall each have experience in the financing, development or~~
22 ~~management of employee benefit programs.~~

23 (A) One member shall represent the interests of education employees. The member must
24 hold a bachelor's degree, must have obtained teacher certification, must be employed as a
25 teacher for a period of at least three years prior to his or her appointment and must remain a
26 teacher for the duration of his or her appointment to remain eligible to serve on the board.

27 (B) One member shall represent the interests of public employees. The member must be
28 employed to perform full- or part-time service for wages, salary or remuneration for a public body
29 for a period of at least three years prior to his or her appointment and must remain an employee
30 of a public body for the duration of his or her appointment to remain eligible to serve on the board.

31 (C) One member shall represent the interests of retired employees. The member must
32 meet the definition of retired employee as provided in section two of this article.

33 (D) One member shall represent the interests of a participating political subdivision. The
34 member must have been employed by a political subdivision for a period of at least three years
35 prior to his or her appointment and must remain an employee of a political subdivision for the
36 duration of his or her appointment to remain eligible to serve on the board. The member may not
37 be an elected official.

38 (E) Four members must be selected from the public at large, meeting the following
39 requirements:

40 (i) One member selected from the public at large must generally have knowledge and
41 expertise relating to the financing, development or management of employee benefit programs;

42 (ii) One member selected from the public at large must have at least three years of

43 experience in the insurance benefits business;

44 (iii) One member selected from the public at large must be a certified public accountant
45 with at least three years of experience with financial management and employee benefits program
46 experience; and

47 (iv) One member selected from the public at large must be a health care actuary or certified
48 public accountant with at least three years of financial experience with the health care
49 marketplace.

50 (2) No member of the board may be a registered lobbyist.

51 (3) All appointments shall be selected to represent the different geographical areas within
52 the state and all members shall be residents of West Virginia. No member may be removed from
53 office by the Governor except for official misconduct, incompetence, neglect of duty, neglect of
54 fiduciary duty or other specific responsibility imposed by this article or gross immorality.

55 (c) The Secretary of the Department of Administration shall serve as chair of the finance
56 board, which shall meet at times and places specified by the call of the chair or upon the written
57 request to the chair of at least two members. The Director of the Public Employees Insurance
58 Agency shall serve as staff to the board. Notice of each meeting shall be given in writing to each
59 member by the director at least three days in advance of the meeting. ~~Six~~ Five members shall
60 constitute a quorum. The board shall pay each member the same compensation and expense
61 reimbursement that is paid to members of the Legislature for their interim duties for each day or
62 portion of a day engaged in the discharge of official duties.

63 (d) Upon termination of the board and notwithstanding any provisions in this article to the
64 contrary, the director is authorized to assess monthly employee premium contributions and to
65 change the types and levels of costs to employees only in accordance with this subsection. Any
66 assessments or changes in costs imposed pursuant to this subsection shall be implemented by
67 legislative rule proposed by the director for promulgation pursuant to the provisions of article
68 three, chapter twenty-nine-a of this code. Any employee assessments or costs previously

- 69 authorized by the finance board shall then remain in effect until amended by rule of the director
70 promulgated pursuant to this subsection.

NOTE: The purpose of this bill is to change the experience requirements for members and reduce the number of members of the Public Employees Insurance Agency Finance Board.

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