

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

Introduced

Senate Bill 654

BY SENATORS TARR, HARDESTY, PITSENBARGER,
PREZIOSO, SMITH, WELD, CLINE, STOLLINGS, AND
PLYMALE

[Introduced January 29, 2020; referred
to the Committee on Pensions; and then to the
Committee on Finance]

1 A BILL to amend and reenact §7-14D-24 of the Code of West Virginia, 1931, as amended, relating
2 to allowing certain sheriffs to transfer from the Public Employees Retirement System into
3 the Deputy Sheriff Retirement System.

Be it enacted by the Legislature of West Virginia:

ARTICLE 14D. DEPUTY SHERIFF RETIREMENT SYSTEM ACT.

§7-14D-24. Service as sheriff.

1 (a) Any ~~active~~ member who after the effective date of this article is elected sheriff of a
2 county in West Virginia may elect to continue as a member in this plan by paying the amounts
3 required by §7-14D-7 of this code. Upon the election, service as a sheriff shall be treated as
4 covered employment and the sheriff is not entitled to any credit for that service under any other
5 retirement system of the state.

6 (b) Any member retired as a deputy sheriff under this plan who, after the effective date of
7 this article, is elected or appointed sheriff of a county in West Virginia, may elect to suspend the
8 payment of his or her annuity from this system and again become a contributing member of this
9 plan by paying the amounts required by §7-14D-7 of this code. Upon such election, service as a
10 sheriff shall be treated as covered employment, and the sheriff is not entitled to any credit for that
11 period of elected service under any other retirement system of the state. At the end of his or her
12 term as sheriff, the member making such election shall have his or her annuity recalculated and
13 shall be granted an adjustment to his or her previous annuity to include the period of elected
14 service.

15 (c) Any person, who before the effective date of this article was elected sheriff of a county
16 in West Virginia, and who, immediately prior to being so elected sheriff, was a deputy sheriff with
17 at least 20 years of credited service under the Public Employees Retirement System, with at least
18 16 of those 20 years having been earned as a deputy sheriff, may elect to become a member of
19 this plan by paying the amounts required by §7-14D-7 of this code. Upon such election, service
20 shall be transferred from the Public Employees Retirement System pursuant to §7-14D-8 of this

21 code: *Provided*, That any service as a sheriff shall be treated as covered employment under this
22 article and the sheriff is not entitled to any credit for that service as a sheriff or the prior service
23 as a deputy sheriff under any other retirement system of the state. Persons making the election
24 provided for in this subsection shall do so within 10 days of taking office as sheriff or within 10
25 days of the effective date of this provision.

26 (d) Any person who, before the effective date of this article, was elected sheriff of a county
27 of West Virginia, and who, prior to being elected sheriff, was a deputy sheriff and also a previously
28 elected sheriff, with credited service under the Public Employees Retirement System, with at least
29 16 of those years having been earned as combined service as a deputy sheriff and a previously
30 elected sheriff, may elect to become a member of this plan by paying the amounts required by
31 §7-14D-7 of this code. Upon such election, service shall be transferred from the Public Employees
32 Retirement System pursuant to §7-14D-8 of this code: *Provided*, That a person's service as a
33 sheriff shall be treated as covered employment under this article, and that person is not entitled
34 to any credit for that service as a sheriff or deputy sheriff under any other retirement system of
35 this state. A person making the election provided in this subsection shall do so within 30 days of
36 taking office as a sheriff or within 30 days of the effective date of this provision.

37 (e) Notwithstanding any other provision of the code to the contrary, any member who was
38 elected sheriff of a county of West Virginia to serve on or after January 1, 2013, and who has not
39 commenced retirement in the Deputy Sheriff Retirement System or the Public Employees
40 Retirement System, must notify the board in writing by July 31, 2020, of his or her intent to pay
41 the difference in the employee contribution between the Public Employees Retirement System
42 and the Deputy Sheriff Retirement System in order to transfer all service credit earned as a sheriff
43 or purchased in accordance with Section 414(u) of the Internal Revenue Code and the federal
44 Uniformed Services Employment and Reemployment Rights Act from the Public Employees
45 Retirement System to the Deputy Sheriff Retirement System. The board shall compute the
46 difference in employee contributions owed up through September 30, 2020, on the total

47 compensation for which assets are being transferred and notify the sheriff of the amount owed in
48 writing by letter mailed no later than August 21, 2020. This difference in employee contributions
49 must be paid in full by the sheriff to the Deputy Sheriff Retirement System no later than September
50 30, 2020. If timely paid, employee and employer contributions to the Deputy Sheriff Retirement
51 System shall commence October 1, 2020.

52 (1) The board shall transfer assets from the Public Employees Retirement System into the
53 Deputy Sheriff Retirement System no later than November 30, 2020.

54 (2) The amount of assets to be transferred for each transferring sheriff shall be computed
55 as of July 1, 2019, using the actuarial valuation assumptions in effect for the July 1, 2019, actuarial
56 valuation of the Public Employees Retirement System, and updated with seven and one-half
57 percent annual interest to the date of the actual asset transfer. The market value of the assets of
58 the transferring sheriff in the Public Employees Retirement System shall be determined as of the
59 end of the month preceding the actual transfer. To determine the computation of the asset share
60 to be transferred the board shall:

61 (A) Compute the market value of the Public Employees Retirement System assets;

62 (B) Compute the accrued liability for all Public Employees Retirement System retirees,
63 beneficiaries, disabled retirees, and terminated inactive members;

64 (C) Reduce the market value of Public Employees Retirement System assets by the
65 accrued liability determined in paragraph (B) of this subdivision;

66 (D) Compute the entry age method accrued liability for all active Public Employees
67 Retirement System members;

68 (E) Compute the share of accrued liability as determined pursuant to paragraph (D) of this
69 subdivision, that is attributable to those sheriffs in the Public Employees Retirement System who
70 have elected to transfer to the plan;

71 (F) Compute the percentage of active member's accrued liability computed to the sheriffs
72 by dividing paragraph (E) by paragraph (D) of this subdivision; and

- 73 (G) Determine the asset share to be transferred from Public Employees Retirement
74 System to the plan by multiplying paragraph (C) times paragraph (F) of this subdivision.

NOTE: The purpose of this bill is to allow certain sheriffs to transfer from the Public Employees Retirement System into the Deputy Sheriff Retirement System.

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