

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Introduced

House Bill 3035

FISCAL
NOTE

BY DELEGATES PYLES, PUSHKIN, LONGSTRETH, ROWE,

DISERIO, SWARTZMILLER, DOYLE AND ROWAN

[Introduced February 12, 2019; Referred
to the Committee on Pensions and Retirement then
Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new section,
 2 designated §5-10-15d; to amend said code by adding thereto a new section, designated
 3 §7-14D-27a; to amend said code by adding thereto a new section, designated §8-22A-
 4 27a; to amend said code by adding thereto a new section, designated §15-2-28a; to
 5 amend said code by adding thereto a new section, designated §15-2A-19a; to amend said
 6 code by adding thereto a new section, designated §16-5V-30a; and to amend said code
 7 by adding thereto a new section, designated §18-7A-17c, all relating to providing members
 8 of certain state, county, and municipal public employee retirement plans an option to
 9 purchase service credit for time served in the Peace Corps; establishing time limits and
 10 conditions to exercise the option; providing for purchase by lump sum or installment
 11 payments; establishing method of calculation of actuarial reserve purchase amount; and
 12 cancelling the service credit if payments are not completed.

Be it enacted by the Legislature of West Virginia:

**CHAPTER 5. GENERAL POWERS AND AUTHORITY OF THE
 GOVERNOR, SECRETARY OF STATE AND ATTORNEY GENERAL;
 BOARD OF PUBLIC WORKS; MISCELLANEOUS AGENCIES,
 COMMISSIONS, OFFICES, PROGRAMS, ETC.**

ARTICLE 10. WEST VIRGINIA PUBLIC EMPLOYEES RETIREMENT ACT.

§5-10-15d. Member option to purchase credit for Peace Corps service.

1 (a) In addition to any benefit provided by federal law, any member of the retirement system
 2 who previously had served in the Peace Corps program may purchase credited service for the
 3 time the member served in the program, not to exceed 48 months, if the following conditions are
 4 met:

5 (A) The member substantiates by appropriate documentation or evidence his or her period
 6 of service in the Peace Corps;

7 (B) The member has completed at least 60 consecutive months of contributory service to

8 the retirement system on or after January 2019; and

9 (C) Following notification to the member by the board of the appropriate actuarial reserve
10 purchase amount, the member pays: (i) The full amount paid as a lump sum within 12 months of
11 the notification; or (ii) the full amount plus an annuity adjustment determined by the board pursuant
12 to subsection (b) of this section within 48 months of the notification if paid in installments.

13 (b) To receive credit, a member must submit a request to purchase Peace Corps credit to
14 the board, on such form or in such other manner as shall be required by the board, by December
15 31, 2019, or within one year of the member's first completing his or her 60th consecutive month
16 of actual contributory service in the retirement system, whichever occurs later. The board shall
17 then calculate the actuarial reserve lump sum purchase amount based upon the member's rate
18 of compensation at the time he or she entered the retirement system and shall notify the member
19 of the appropriate actuarial reserve purchase amount due. The actuarial reserve purchase
20 amounts shall be based upon the member's rate of compensation, and resulting contribution, at
21 the time that he or she entered the retirement system, multiplied by the period of Peace Corps
22 service claimed by the member, and adjusted by an actuarial amount determined by the board to
23 account for interest and accruals as if the contributions had been made at the time the member
24 first entered the retirement system. The board may include an additional amount as an actuarial
25 adjustment if the member elects to purchase the service credit in installment payments.

26 (c) The board may accept partial, installment, or other similar payments of the adjusted
27 actuarial reserve purchase amount if the member executes a contract with the board clearly
28 specifying the amount of service credit to be purchased and the payments required: *Provided,*
29 That any failure to complete the contract or otherwise pay the contract amount in accordance with
30 this section shall be treated as an overpayment or excess contribution subject to §5-10-44 of this
31 code and no service shall be credited.

CHAPTER 7. COUNTY COMMISSIONS AND OFFICERS.

ARTICLE 14D. DEPUTY SHERIFF RETIREMENT SYSTEM ACT.

§7-14D-27a. Member option to purchase credit for Peace Corps service.

1 (a) In addition to any benefit provided by federal law, any member of the retirement system
2 who previously had served in the Peace Corps program may purchase credited service for the
3 time the member served in the program, not to exceed 48 months, if the following conditions are
4 met:

5 (A) The member substantiates by appropriate documentation or evidence his or her period
6 of service in the Peace Corps;

7 (B) The member has completed at least 60 consecutive months of contributory service to
8 the retirement system on or after January 2019; and

9 (C) Following notification to the member by the board of the appropriate actuarial reserve
10 purchase amount, the member pays: (i) The full amount paid as a lump sum within 12 months of
11 the notification; or (ii) the full amount plus an annuity adjustment determined by the board pursuant
12 to subsection (b) of this section within 48 months of the notification if paid in installments.

13 (b) To receive credit, a member must submit a request to purchase Peace Corps credit to
14 the board, on such form or in such other manner as shall be required by the board, by December
15 31, 2019, or within one year of the member's first completing his or her 60th consecutive month
16 of actual contributory service in the retirement system, whichever occurs later. The board shall
17 then calculate the actuarial reserve lump sum purchase amount based upon the member's rate
18 of compensation at the time he or she entered the retirement system and shall notify the member
19 of the appropriate actuarial reserve purchase amount due. The actuarial reserve purchase
20 amounts shall be based upon the member's rate of compensation, and resulting contribution, at
21 the time that he or she entered the retirement system, multiplied by the period of Peace Corps
22 service claimed by the member, and adjusted by an actuarial amount determined by the board to
23 account for interest and accruals as if the contributions had been made at the time the member
24 first entered the retirement system. The board may include an additional amount as an actuarial
25 adjustment if the member elects to purchase the service credit in installment payments.

26 (c) The board may accept partial, installment, or other similar payments of the adjusted
27 actuarial reserve purchase amount if the member executes a contract with the board clearly
28 specifying the amount of service credit to be purchased and the payments required: *Provided,*
29 That any failure to complete the contract or otherwise pay the contract amount in accordance with
30 this section shall be treated as an overpayment or excess contribution subject to §7-14D-7a of
31 this code and no service shall be credited.

CHAPTER 8. MUNICIPAL CORPORATIONS.

ARTICLE 22A. WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS RETIREMENT SYSTEM.

§8-22A-27a. Member option to purchase credit for Peace Corps service.

1 (a) In addition to any benefit provided by federal law, any member of the retirement system
2 who previously had served in the Peace Corps program may purchase credited service for the
3 time the member served in the program, not to exceed 48 months, if the following conditions are
4 met:

5 (A) The member substantiates by appropriate documentation or evidence his or her period
6 of service in the Peace Corps;

7 (B) The member has completed at least 60 consecutive months of contributory service to
8 the retirement system on or after January 2019; and

9 (C) Following notification to the member by the board of the appropriate actuarial reserve
10 purchase amount, the member pays: (i) The full amount paid as a lump sum within 12 months of
11 the notification; or (ii) the full amount plus an annuity adjustment determined by the board pursuant
12 to subsection (b) of this section within 48 months of the notification if paid in installments.

13 (b) To receive credit, a member must submit a request to purchase Peace Corps credit to
14 the board, on such form or in such other manner as shall be required by the board, by December
15 31, 2019, or within one year of the member's first completing his or her 60th consecutive month

16 of actual contributory service in the retirement system, whichever occurs later. The board shall
17 then calculate the actuarial reserve lump sum purchase amount based upon the member's rate
18 of compensation at the time he or she entered the retirement system and shall notify the member
19 of the appropriate actuarial reserve purchase amount due. The actuarial reserve purchase
20 amounts shall be based upon the member's rate of compensation, and resulting contribution, at
21 the time that he or she entered the retirement system, multiplied by the period of Peace Corps
22 service claimed by the member, and adjusted by an actuarial amount determined by the board to
23 account for interest and accruals as if the contributions had been made at the time the member
24 first entered the retirement system. The board may include an additional amount as an actuarial
25 adjustment if the member elects to purchase the service credit in installment payments.

26 (c) The board may accept partial, installment, or other similar payments of the adjusted
27 actuarial reserve purchase amount if the member executes a contract with the board clearly
28 specifying the amount of service credit to be purchased and the payments required: *Provided,*
29 That any failure to complete the contract or otherwise pay the contract amount in accordance with
30 this section shall be treated as an overpayment or excess contribution subject to §8-22A-8a of
31 this code and no service shall be credited.

CHAPTER 15. PUBLIC SAFETY.

ARTICLE 2. WEST VIRGINIA STATE POLICE.

§15-2-28a. Member option to purchase credit for Peace Corps service.

1 (a) In addition to any benefit provided by federal law, any member of the retirement system
2 who previously had served in the Peace Corps program may purchase credited service for the
3 time the member served in the program, not to exceed 48 months, if the following conditions are
4 met:

5 (A) The member substantiates by appropriate documentation or evidence his or her period
6 of service in the Peace Corps;

7 (B) The member has completed at least 60 consecutive months of contributory service to

8 the retirement system on or after January 2019; and

9 (C) Following notification to the member by the board of the appropriate actuarial reserve
10 purchase amount, the member pays: (i) The full amount paid as a lump sum within 12 months of
11 the notification; or (ii) the full amount plus an annuity adjustment determined by the board pursuant
12 to subsection (b) of this section within 48 months of the notification if paid in installments.

13 (b) To receive credit, a member must submit a request to purchase Peace Corps credit to
14 the board, on such form or in such other manner as shall be required by the board, by December
15 31, 2019, or within one year of the member's first completing his or her 60th consecutive month
16 of actual contributory service in the retirement system, whichever occurs later. The board shall
17 then calculate the actuarial reserve lump sum purchase amount based upon the member's rate
18 of compensation at the time he or she entered the retirement system and shall notify the member
19 of the appropriate actuarial reserve purchase amount due. The actuarial reserve purchase
20 amounts shall be based upon the member's rate of compensation, and resulting contribution, at
21 the time that he or she entered the retirement system, multiplied by the period of Peace Corps
22 service claimed by the member, and adjusted by an actuarial amount determined by the board to
23 account for interest and accruals as if the contributions had been made at the time the member
24 first entered the retirement system. The board may include an additional amount as an actuarial
25 adjustment if the member elects to purchase the service credit in installment payments.

26 (c) The board may accept partial, installment, or other similar payments of the adjusted
27 actuarial reserve purchase amount if the member executes a contract with the board clearly
28 specifying the amount of service credit to be purchased and the payments required: *Provided,*
29 That any failure to complete the contract or otherwise pay the contract amount in accordance with
30 this section shall be treated as an overpayment or excess contribution subject to §15-2-54 of this
31 code and no service shall be credited.

ARTICLE 2A. WEST VIRGINIA STATE POLICE RETIREMENT SYSTEM.

§15-2A-19a. Member option to purchase credit for Peace Corps service.

1 (a) In addition to any benefit provided by federal law, any member of the retirement system
2 who previously had served in the Peace Corps program may purchase credited service for the
3 time the member served in the program, not to exceed 48 months, if the following conditions are
4 met:

5 (A) The member substantiates by appropriate documentation or evidence his or her period
6 of service in the Peace Corps;

7 (B) The member has completed at least 60 consecutive months of contributory service to
8 the retirement system on or after January 2019; and

9 (C) Following notification to the member by the board of the appropriate actuarial reserve
10 purchase amount, the member pays: (i) The full amount paid as a lump sum within 12 months of
11 the notification; or (ii) the full amount plus an annuity adjustment determined by the board pursuant
12 to subsection (b) of this section within 48 months of the notification if paid in installments.

13 (b) To receive credit, a member must submit a request to purchase Peace Corps credit to
14 the board, on such form or in such other manner as shall be required by the board, by December
15 31, 2019, or within one year of the member's first completing his or her 60th consecutive month
16 of actual contributory service in the retirement system, whichever occurs later. The board shall
17 then calculate the actuarial reserve lump sum purchase amount based upon the member's rate
18 of compensation at the time he or she entered the retirement system and shall notify the member
19 of the appropriate actuarial reserve purchase amount due. The actuarial reserve purchase
20 amounts shall be based upon the member's rate of compensation, and resulting contribution, at
21 the time that he or she entered the retirement system, multiplied by the period of Peace Corps
22 service claimed by the member, and adjusted by an actuarial amount determined by the board to
23 account for interest and accruals as if the contributions had been made at the time the member
24 first entered the retirement system. The board may include an additional amount as an actuarial
25 adjustment if the member elects to purchase the service credit in installment payments.

26 (c) The board may accept partial, installment, or other similar payments of the adjusted

27 actuarial reserve purchase amount if the member executes a contract with the board clearly
28 specifying the amount of service credit to be purchased and the payments required: *Provided,*
29 That any failure to complete the contract or otherwise pay the contract amount in accordance with
30 this section shall be treated as an overpayment or excess contribution subject to §15-2A-23 of
31 this code and no service shall be credited.

CHAPTER 16. PUBLIC HEALTH.

ARTICLE 5V. EMERGENCY MEDICAL SERVICES RETIREMENT SYSTEM ACT.

§16-5V-30a. Member option to purchase credit for Peace Corps service.

1 (a) In addition to any benefit provided by federal law, any member of the retirement system
2 who previously had served in the Peace Corps program may purchase credited service for the
3 time the member served in the program, not to exceed 48 months, if the following conditions are
4 met:

5 (A) The member substantiates by appropriate documentation or evidence his or her period
6 of service in the Peace Corps;

7 (B) The member has completed at least 60 consecutive months of contributory service to
8 the retirement system on or after January 2019; and

9 (C) Following notification to the member by the board of the appropriate actuarial reserve
10 purchase amount, the member pays: (i) The full amount paid as a lump sum within 12 months of
11 the notification; or (ii) the full amount plus an annuity adjustment determined by the board pursuant
12 to subsection (b) of this section within 48 months of the notification if paid in installments.

13 (b) To receive credit, a member must submit a request to purchase Peace Corps credit to
14 the board, on such form or in such other manner as shall be required by the board, by December
15 31, 2019, or within one year of the member's first completing his or her 60th consecutive month
16 of actual contributory service in the retirement system, whichever occurs later. The board shall
17 then calculate the actuarial reserve lump sum purchase amount based upon the member's rate
18 of compensation at the time he or she entered the retirement system and shall notify the member

19 of the appropriate actuarial reserve purchase amount due. The actuarial reserve purchase
20 amounts shall be based upon the member's rate of compensation, and resulting contribution, at
21 the time that he or she entered the retirement system, multiplied by the period of Peace Corps
22 service claimed by the member, and adjusted by an actuarial amount determined by the board to
23 account for interest and accruals as if the contributions had been made at the time the member
24 first entered the retirement system. The board may include an additional amount as an actuarial
25 adjustment if the member elects to purchase the service credit in installment payments.

26 (c) The board may accept partial, installment, or other similar payments of the adjusted
27 actuarial reserve purchase amount if the member executes a contract with the board clearly
28 specifying the amount of service credit to be purchased and the payments required: *Provided,*
29 That any failure to complete the contract or otherwise pay the contract amount in accordance with
30 this section shall be treated as an overpayment or excess contribution subject to §16-5V-8a of
31 this code and no service shall be credited.

CHAPTER 18. EDUCATION.

ARTICLE 7A. STATE TEACHERS RETIREMENT SYSTEM.

§18-7A-17c. Member option to purchase credit for Peace Corps service.

1 (a) In addition to any benefit provided by federal law, any member of the retirement system
2 who previously had served in the Peace Corps program may purchase credited service for the
3 time the member served in the program, not to exceed 48 months, if the following conditions are
4 met:

5 (A) The member substantiates by appropriate documentation or evidence his or her period
6 of service in the Peace Corps;

7 (B) The member has completed at least 60 consecutive months of contributory service to
8 the retirement system on or after January 2019; and

9 (C) Following notification to the member by the board of the appropriate actuarial reserve
10 purchase amount, the member pays: (i) The full amount paid as a lump sum within 12 months of

11 the notification; or (ii) the full amount plus an annuity adjustment determined by the board pursuant
12 to subsection (b) of this section within 48 months of the notification if paid in installments.

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15 31, 2019, or within one year of the member's first completing his or her 60th consecutive month
16 of actual contributory service in the retirement system, whichever occurs later. The board shall
17 then calculate the actuarial reserve lump sum purchase amount based upon the member's rate
18 of compensation at the time he or she entered the retirement system and shall notify the member
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21 the time that he or she entered the retirement system, multiplied by the period of Peace Corps
22 service claimed by the member, and adjusted by an actuarial amount determined by the board to
23 account for interest and accruals as if the contributions had been made at the time the member
24 first entered the retirement system. The board may include an additional amount as an actuarial
25 adjustment if the member elects to purchase the service credit in installment payments.

26 (c) The board may accept partial, installment, or other similar payments of the adjusted
27 actuarial reserve purchase amount if the member executes a contract with the board clearly
28 specifying the amount of service credit to be purchased and the payments required: *Provided,*
29 That any failure to complete the contract or otherwise pay the contract amount in accordance with
30 this section shall be treated as an overpayment or excess contribution subject to §18-7A-14(c) of
31 this code and no service shall be credited.

NOTE: The purpose of this bill is to allow members of state, county, and municipal public employee retirement plans an option to purchase service credit toward retirement for time the member may have spent in the United States Peace Corps.

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