

WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

Committee Substitute

for

Senate Bill 395

BY SENATOR MARONEY

[Originating in the Committee on Finance; reported on March 18, 2021]

1 A BILL to amend and reenact §5-16-4 of the Code of West Virginia, 1931, as amended, relating
2 to expanding the membership of the Public Employees Insurance Agency Finance Board;
3 providing for qualifications of newly appointed members; defining terms; and making
4 technical corrections.

Be it enacted by the Legislature of West Virginia:

ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.

§5-16-4. Public Employees Insurance Agency Finance Board continued; qualifications, terms; 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 ~~eight~~ 10 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 ~~five~~ six 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) of this section may continue to serve until his or her
10 successor has been appointed and qualified. The Governor shall make appointments necessary
11 to satisfy the requirements of subsection (b) of this section to staggered terms as determined by
12 the Governor.

13 (b) (1) Of the ~~eight~~ 10 members appointed by the Governor with advice and consent of
14 the Senate:

15 (A) One member shall represent the interests of education employees. The member ~~must~~
16 shall hold a bachelor's degree, ~~must~~ shall have obtained teacher certification, ~~must~~ shall be
17 employed as a teacher for a period of at least three years prior to his or her appointment, and

18 ~~must~~ shall remain a teacher for the duration of his or her appointment to remain eligible to serve
19 on the board.

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

25 (C) One member shall represent the interests of retired employees. The member ~~must~~
26 shall meet the definition of retired employee as provided in §5-16-2 ~~of this article~~ of this code.

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

32 (E) One member shall represent the interests of hospitals. The member shall have been
33 employed by a hospital for a period of at least three years prior to his or her appointment and shall
34 remain an employee of a hospital for the duration of his or her appointment to remain eligible to
35 serve on the board.

36 ~~(E)~~ (F) One member shall represent the interests of small business. The member shall
37 have owned his or her business for a period of at least three years prior to his or her appointment
38 and shall maintain ownership of his or her business for the duration of his or her appointment to
39 remain eligible to serve on the board. For the purposes of this section, a “small business” shall
40 mean a private sector business with no more than 35 full-time employees at the time of the
41 appointment of the board member.

42 (G) Four members ~~must~~ shall be selected from the public at large, meeting the following
43 requirements:

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

47 (ii) One member selected from the public at large ~~must~~ shall have at least three years of
48 experience in the insurance benefits business;

49 (iii) One member selected from the public at large ~~must~~ shall be a certified public
50 accountant with at least three years of experience with financial management and employee
51 benefits program experience; and

52 (iv) One member selected from the public at large ~~must~~ shall be a health care actuary or
53 certified public accountant with at least three years of financial experience with the health care
54 marketplace.

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

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

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

68 (d) Upon termination of the board and notwithstanding any provisions in this article to the
69 contrary, the director is authorized to assess monthly employee premium contributions and to

70 change the types and levels of costs to employees only in accordance with this subsection. Any
71 assessments or changes in costs imposed pursuant to this subsection shall be implemented by
72 legislative rule proposed by the director for promulgation pursuant to ~~the provisions of~~ §29A-3-1
73 *et seq.* of this code. Any employee assessments or costs previously authorized by the finance
74 board shall then remain in effect until amended by rule of the director promulgated pursuant to
75 this subsection.