

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 4514

**FISCAL
NOTE**

By Delegates Brooks, Pritt, Green, and Martin

[Introduced January 19, 2026; referred to the

Committee on Finance]

1 A BILL to amend and reenact §7-14D-2 of the Code of West Virginia, 1931, as amended, relating
2 to computation of the final average salary of a member of the West Virginia Deputy Sheriff
3 Retirement Fund based on the average of the highest annual compensation received for
4 covered employment by the member in any three plan years within the member's last 10
5 years of service.

Be it enacted by the Legislature of West Virginia:

ARTICLE 14D. DEPUTY SHERIFF RETIREMENT SYSTEM ACT.

§7-14D-2.

Definitions.

1 As used in this article, unless a federal law or regulation or the context clearly requires a
2 different meaning:

3 (a) "Accrued benefit" means on behalf of any member two and one-quarter percent of the
4 member's final average salary multiplied by the member's years of credited service: *Provided*,
5 That members who are retired on or retire after July 1, 2018, shall have an accrued benefit of two
6 and one-half percent of the member's final average salary multiplied by the member's years of
7 credited service. A member's accrued benefit may not exceed the limits of §415 of the Internal
8 Revenue Code and is subject to the provisions of §7-14D-9a of this code.

9 (b) "Accumulated contributions" means the sum of all amounts deducted from the
10 compensation of a member, or paid on his or her behalf pursuant to §5-10C-1 *et seq.* of this code,
11 either pursuant to §7-14D-7 of this code or §5-10-29 of this code as a result of covered
12 employment together with regular interest on the deducted amounts.

13 (c) "Active member" means a member who is active and contributing to the plan.

14 (d) "Active military duty" means full-time active duty with any branch of the armed forces of
15 the United States, including service with the National Guard or reserve military forces when the
16 member has been called to active full-time duty and has received no compensation during the
17 period of that duty from any board or employer other than the armed forces.

18 (e) "Actuarial equivalent" means a benefit of equal value computed upon the basis of the

19 mortality table and interest rates as set and adopted by the retirement board in accordance with
20 the provisions of this article: *Provided*, That when used in the context of compliance with the
21 federal maximum benefit requirements of §415 of the Internal Revenue Code, "actuarial
22 equivalent" shall be computed using the mortality tables and interest rates required to comply with
23 those requirements.

24 (f) "Annual compensation" means the wages paid to the member during covered
25 employment within the meaning of §3401(a) of the Internal Revenue Code, but determined without
26 regard to any rules that limit the remuneration included in wages based upon the nature or location
27 of employment or services performed during the plan year plus amounts excluded under
28 §414(h)(2) of the Internal Revenue Code and less reimbursements or other expense allowances,
29 cash, or noncash fringe benefits or both, deferred compensation, and welfare benefits. Annual
30 compensation for determining benefits during any determination period may not exceed the
31 maximum compensation allowed as adjusted for cost of living in accordance with §5-10D-7 of this
32 code and §401(a)(17) of the Internal Revenue Code.

33 (g) "Annual leave service" means accrued annual leave.

34 (h) "Annuity starting date" means the first day of the first calendar month following receipt
35 of the retirement application by the board or the required beginning date, if earlier: *Provided*, That
36 the member has ceased covered employment and reached early or normal retirement age.

37 (i) "Base salary" means a member's cash compensation exclusive of overtime from
38 covered employment during the last 12 months of employment. Until a member has worked 12
39 months, annualized base salary is used as base salary.

40 (j) "Beneficiary" means a natural person who is entitled to, or will be entitled to, an annuity
41 or other benefit payable by the plan.

42 (k) "Board" means the Consolidated Public Retirement Board created pursuant to §5-10D-
43 1 *et seq.* of this code.

44 (l) "Bona fide separation from service upon retirement" means that a member has

45 completely terminated any employment relationship with the employer or any participating
46 employer in the system for a period of at least 60 consecutive days from the effective date of
47 retirement and without a prearranged agreement to return to employment with a participating
48 employer. For purposes of this definition, an employment relationship includes employment in any
49 capacity, whether on a permanent, full-time, part-time, substitute, per diem, temporary or leased
50 employee basis.

51 (m) "County commission" has the meaning ascribed to it in §7-1-1 of this code.

52 (n) "Covered employment" means either: (1) Employment as a deputy sheriff and the
53 active performance of the duties required of a deputy sheriff; (2) the period of time which active
54 duties are not performed but disability benefits are received under §7-14D-14 or §7-14D-15 of this
55 code; or (3) concurrent employment by a deputy sheriff in a job or jobs in addition to his or her
56 employment as a deputy sheriff where the secondary employment requires the deputy sheriff to be
57 a member of another retirement system which is administered by the Consolidated Public
58 Retirement Board pursuant to §5-10D-1 *et seq.* of this code: *Provided*, That the deputy sheriff
59 contributes to the fund created in §7-14D-6 of this code the amount specified as the deputy
60 sheriff's contribution in §7-14D-7 of this code.

61 (o) "Credited service" means the sum of a member's years of service, active military duty,
62 disability service, unused annual leave service, and unused sick leave service.

63 (p) "Deputy sheriff" means an individual employed as a county law-enforcement deputy
64 sheriff in this state and as defined by §7-14-2 of this code.

65 (q) "Dependent child" means either:

66 (1) An unmarried person under age 18 who is:

67 (A) A natural child of the member;

68 (B) A legally adopted child of the member;

69 (C) A child who at the time of the member's death was living with the member while the
70 member was an adopting parent during any period of probation; or

(D) A stepchild of the member residing in the member's household at the time of the member's death; or

(2) Any unmarried child under age 23:

(A) Who is enrolled as a full-time student in an accredited college or university;

(B) Who was claimed as a dependent by the member for federal income tax purposes at the time of the member's death; and

(C) Whose relationship with the member is described in subparagraph (A), (B), or (C),
aph (1) of this subdivision.

(r) "Dependent parent" means the father or mother of the member who was claimed as a dependent by the member for federal income tax purposes at the time of the member's death.

(s) "Disability service" means service credit received by a member, expressed in whole fractions thereof or both, equal to one half of the whole years, fractions thereof, or both, which time a member receives disability benefits under §7-14D-14 or §7-14D-15 of this

(t) "Early retirement age" means age 40 or over and completion of 20 years of service.

(u) "Employer error" means an omission, misrepresentation, or deliberate act in violation of pertinent provisions of the West Virginia Code or of the West Virginia Code of State Rules or the pertinent provisions of both the West Virginia Code and of the West Virginia Code of State Rules by a participating public employer that has resulted in an underpayment or overpayment of contributions required.

(v) "Effective date" means July 1, 1998.

(w) "Final average salary" means the average of the highest annual compensation earned for covered employment by the member during any three plan years within the member's years of service. If the member did not have annual compensation for the five full plan years preceding the member's attainment of normal retirement age and during that period, the member received disability benefits under §7-14D-14 or §7-14D-15 of this code, then "final average salary"

97 means the average of the full monthly salary determined paid to the member during that period
98 multiplied by 12.

99 (x) "Fund" means the West Virginia Deputy Sheriff Retirement Fund created pursuant to
100 §7-14D-6 of this code.

101 (y) "Hour of service" means:

102 (1) Each hour for which a member is paid or entitled to payment for covered employment
103 during which time active duties are performed. These hours shall be credited to the member for the
104 plan year in which the duties are performed; and

105 (2) Each hour for which a member is paid or entitled to payment for covered employment
106 during a plan year but where no duties are performed due to vacation, holiday, illness, incapacity
107 including disability, layoff, jury duty, military duty, leave of absence, or any combination thereof,
108 and without regard to whether the employment relationship has terminated. Hours under this
109 paragraph shall be calculated and credited pursuant to West Virginia Division of Labor rules. A
110 member will not be credited with any hours of service for any period of time he or she is receiving
111 benefits under §7-14D-14 or §7-14D-15 of this code; and

112 (3) Each hour for which back pay is either awarded or agreed to be paid by the employing
113 county commission, irrespective of mitigation of damages. The same hours of service shall not be
114 credited both under this paragraph and paragraph (1) or (2) of this subdivision. Hours under this
115 paragraph shall be credited to the member for the plan year or years to which the award or
116 agreement pertains rather than the plan year in which the award, agreement, or payment is made.

117 (z) "Medical examination" means an in-person or virtual examination of a member's
118 physical or mental health, or both, by a physician or physicians selected or approved by the board;
119 or, at the discretion of the board, a medical record review of the member's physical or mental
120 health, or both, by a physician selected or approved by the board.

121 (aa) "Member" means a person first hired as a deputy sheriff after the effective date of this
122 article, as defined in subdivision (v) of this section, or a deputy sheriff first hired prior to the

123 effective date and who elects to become a member pursuant to §7-14D-5 or §7-14D-17 of this
124 code. A member shall remain a member until the benefits to which he or she is entitled under this
125 article are paid or forfeited or until cessation of membership pursuant to §7-14D-5 of this code.

126 (bb) "Monthly salary" means the portion of a member's annual compensation which is paid
127 to him or her per month.

128 (cc) "Normal form" means a monthly annuity which is one-twelfth of the amount of the
129 member's accrued benefit which is payable for the member's life. If the member dies before the
130 sum of the payments he or she receives equals his or her accumulated contributions on the
131 annuity starting date, the named beneficiary shall receive in one lump sum the difference between
132 the accumulated contributions at the annuity starting date and the total of the retirement income
133 payments made to the member.

134 (dd) "Normal retirement age" means the first to occur of the following: (1) Attainment of age
135 50 years and the completion of 20 or more years of service; (2) while still in covered employment,
136 attainment of at least age 50 years, and when the sum of current age plus years of service equals
137 or exceeds 70 years; (3) while still in covered employment, attainment of at least age 60 years,
138 and completion of five years of service; or (4) attainment of age 62 years and completion of five or
139 more years of service.

140 (ee) "Partially disabled" means a member's inability to engage in the duties of deputy
141 sheriff by reason of any medically determinable physical or mental impairment that can be
142 expected to result in death or that has lasted or can be expected to last for a continuous period of
143 not less than 12 months. A member may be determined partially disabled for the purposes of this
144 article and maintain the ability to engage in other gainful employment which exists within the state,
145 but which ability would not enable him or her to earn an amount at least equal to two thirds of the
146 average annual compensation earned by all active members of this plan during the plan year
147 ending as of the most recent June 30, as of which plan data has been assembled and used for the
148 actuarial valuation of the plan.

149 (ff) "Participating public employer" means any county commission of any county in this
150 state employing any deputy sheriff who is a member of the plan.

151 (gg) "Public Employees Retirement System" means the West Virginia Public Employees
152 Retirement System created by §5-10-1 *et seq.* of this code.

153 (hh) "Plan" means the West Virginia Deputy Sheriff Death, Disability, and Retirement Plan
154 established by this article.

155 (ii) "Plan year" means the 12-month period commencing on July 1 of any designated year
156 and ending the following June 30.

157 (jj) "Qualified public safety employee" means any employee of a participating state or
158 political subdivision who provides police protection, fire-fighting services, or emergency medical
159 services for any area within the jurisdiction of the state or political subdivision, or such other
160 meaning given to the term by Section 72(t)(10)(B) of the Internal Revenue Code or by Treasury
161 Regulation §1.401(a)-1(b)(2)(v) as they may be amended from time to time.

162 (kk) "Regular interest" means the rate or rates of interest per annum, compounded
163 annually, as the board adopts in accordance with the provisions of this article.

164 (ii) "Retirant" or "retiree" means any member who commences an annuity payable by the
165 plan.

166 (mm) "Required beginning date" means April 1 of the calendar year following the later of:

167 (1) The calendar year in which the member attains the applicable age as set forth in this
168 paragraph; or

169 (2) The calendar year in which he or she retires or otherwise separates from covered
170 employment.

171 The applicable age is:

172 (A) Seventy-two, if the individual attains age 72 prior to January 1, 2023;

173 (B) Seventy-three, if the individual attains age 72 after December 31, 2022, and attains age
174 73 before January 1, 2033; or

175 (C) Seventy-five, if the individual attains age 74 after December 31, 2032; provided that the
176 applicable age shall be determined in accordance with the provisions of §401(a)(9) of the Internal
177 Revenue Code and the Treasury Regulations thereunder, as the same may be amended from time
178 to time.

179 (nn) "Retire" or "retirement" means a member's withdrawal from the employ of a
180 participating public employer and the commencement of an annuity by the plan.

181 (oo) "Retirement income payments" means the annual retirement income payments
182 payable under the plan.

183 (pp) "Spouse" means the person to whom the member is legally married on the annuity
184 starting date.

185 (qq) "Surviving spouse" means the person to whom the member was legally married at the
186 time of the member's death and who survived the member.

187 (rr) "Totally disabled" means a member's inability to engage in substantial gainful activity
188 by reason of any medically determined physical or mental impairment that can be expected to
189 result in death or that has lasted or can be expected to last for a continuous period of not less than
190 12 months. For purposes of this subdivision:

191 (1) A member is totally disabled only if his or her physical or mental impairment or
192 impairments are so severe that he or she is not only unable to perform his or her previous work as
193 a deputy sheriff but also cannot, considering his or her age, education and work experience,
194 engage in any other kind of substantial gainful employment which exists in the state regardless of
195 whether: (A) The work exists in the immediate area in which the member lives; (B) a specific job
196 vacancy exists; or (C) the member would be hired if he or she applied for work.

197 (2) "Physical or mental impairment" is an impairment that results from an anatomical,
198 physiological, or psychological abnormality that is demonstrated by medically accepted clinical
199 and laboratory diagnostic techniques. A member's receipt of Social Security disability benefits
200 creates a rebuttable presumption that the member is totally disabled for purposes of this plan.

201 Substantial gainful employment rebuts the presumption of total disability.

202 (ss) Year of service. — A member shall, except in his or her first and last years of covered
203 employment, be credited with year of service credit based upon the hours of service performed as
204 covered employment and credited to the member during the plan year based upon the following
205 schedule:

	Hours of Service	Years of Service Credited
207	Less than 500	0
208	500 to 999	1/3
209	1,000 to 1,499	2/3
210	1,500 or more	1

211 During a member's first and last years of covered employment, the member shall be
212 credited with one-twelfth of a year of service for each month during the plan year in which the
213 member is credited with an hour of service. A member is not entitled to credit for years of service
214 for any time period during which he or she received disability payments under §7-14D-14 or §7-
215 14D-15 of this code. Except as specifically excluded, years of service include covered
216 employment prior to the effective date. Years of service which are credited to a member prior to his
217 or her receipt of accumulated contributions upon termination of employment pursuant to §7-14D-
218 13 or §5-10-30 of this code, shall be disregarded for all purposes under this plan unless the
219 member repays the accumulated contributions with interest pursuant to §7-14D-13 of this code or
220 had prior to the effective date made the repayment pursuant to §5-10-18 of this code.

NOTE: The purpose of this bill is to compute the final average salary of a member of the West Virginia Deputy Sheriff Retirement Fund based on the average of the highest annual compensation received for covered employment by the member in any three plan years within the member's last 10 years of service. Current law is based on five consecutive years.

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