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SB 598

FILED

2006 APR -3 P 3: 30

WEST VIRGINIA LEGISLATURE VIRGINIA
Regular Session, 2006 DEPARTMENT OF STATE



ENROLLED

SENATE BILL NO. 598

(By Senators Foster and Minard)



PASSED March 11, 2006

In Effect 90 days from Passage

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OFFICE WEST VIRGINIA
SECRETARY OF STATE

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Senate Bill No. 598

(BY SENATORS FOSTER AND MINARD)

[Passed March 11, 2006; in effect ninety days from passage.]

AN ACT to repeal §18-7A-24 of the Code of West Virginia, 1931, as amended; and to amend and reenact §18-7A-23 and §18-7A-25 of said code, all relating to the State Teachers Retirement System; deleting provisions which allowed for the distribution, without a contributor's consent, of accumulated contributions to the State Teachers Retirement System to a contributor with fewer than five years of service who quits service or ceases to be a member; and correcting code references.

Be it enacted by the Legislature of West Virginia:

That §18-7A-24 of the Code of West Virginia, 1931, as amended, be repealed; and that §18-7A-23 and §18-7A-25 of said code be amended and reenacted, all to read as follows:

ARTICLE 7A. STATE TEACHERS RETIREMENT SYSTEM.

§18-7A-23. Withdrawal and death benefits.

1 Benefits upon withdrawal from service prior to retire-
2 ment under the provisions of this article shall be as
3 follows:

4 (a) A contributor who withdraws from service for any
5 cause other than death or retirement shall, upon applica-
6 tion, be paid his or her accumulated contributions plus
7 refund interest up to the end of the fiscal year preceding
8 the year in which application is made, but in no event shall
9 interest be paid beyond the end of five years following the
10 year in which the last contribution was made: *Provided*,
11 That such contributor, at the time of application, is then
12 no longer under contract, verbal or otherwise, to serve as
13 a teacher; or

14 (b) If such contributor has completed twenty years of
15 total service, he or she may elect to receive at retirement
16 age an annuity which shall be computed as provided in
17 this article: *Provided*, That if such contributor has com-
18 pleted as least five, but fewer than twenty years of total
19 service in this state, he or she may elect to receive at age
20 sixty-two an annuity which shall be computed as provided
21 in this article. The contributor must notify the retirement
22 board in writing concerning such election. If such contrib-
23 utor has completed fewer than five years of service in this
24 state, he or she shall be subject to the provisions as
25 outlined in subsection (a) above.

26 Benefits upon the death of a contributor prior to retire-
27 ment under the provisions of this article shall be paid as
28 follows:

29 (1) If the contributor was at least fifty years old, and if
30 his or her total service as a teacher was at least twenty-
31 five years at the time of his or her death, then the surviv-
32 ing spouse of the deceased, provided the spouse is desig-
33 nated as the sole refund beneficiary, is eligible for an
34 annuity computed as though the deceased were actually a
35 retired teacher at the time of death, and had selected a
36 survivorship option which pays the spouse the same

37 monthly amount which would have been received by the
38 deceased; or

39 (2) If the facts do not permit payment under the preced-
40 ing paragraph (1), then the following sum shall be paid to
41 the refund beneficiary of the contributor: The contribu-
42 tor's accumulated contributions with refund interest up to
43 the year of his or her death plus the amount of his or her
44 accumulated contributions. The latter sum shall emanate
45 from the employer's accumulation fund.

§18-7A-25. Eligibility for retirement allowance.

1 (a) Any member who has attained the age of sixty years
2 or who has had thirty-five years of total service as a
3 teacher in West Virginia, regardless of age, is eligible for
4 an annuity. No new entrant nor present member is eligible
5 for an annuity, however, if either has less than five years
6 of service to his or her credit.

7 (b) Any member who has attained the age of fifty-five
8 years and who has served thirty years as a teacher in West
9 Virginia is eligible for an annuity.

10 (c) Any member who has served at least thirty but less
11 than thirty-five years as a teacher or nonteaching member
12 in West Virginia and is less than fifty-five years of age is
13 eligible for an annuity, but the annuity shall be the
14 reduced actuarial equivalent of the annuity the member
15 would have received if the member were age fifty-five at
16 the time such annuity was applied for.

17 (d) The request for any annuity shall be made by the
18 member in writing to the retirement board, but in case of
19 retirement for disability, the written request may be made
20 by either the member or the employer.

21 (e) A member is eligible for annuity for disability if he or
22 she satisfies the conditions in either subdivision (1) or (2)
23 of this subsection and meets the conditions of subdivision
24 (3) of this subsection as follows:

25 (1) His or her service as a teacher or nonteaching mem-
26 ber in West Virginia must total at least ten years and
27 service as a teacher or nonteaching member must have
28 been terminated because of disability, which disability
29 must have caused absence from service for at least six
30 months before his or her application for disability annuity
31 is approved.

32 (2) His or her service as a teacher or nonteaching mem-
33 ber in West Virginia must total at least five years and
34 service as a teacher or nonteaching member must have
35 been terminated because of disability, which disability
36 must have caused absence from service for at least six
37 months before his or her application for disability annuity
38 is approved and the disability is a direct and total result of
39 an act of student violence directed toward the member.

40 (3) An examination by a physician or physicians selected
41 by the retirement board must show that the member is at
42 the time mentally or physically incapacitated for service
43 as a teacher, that for that service the disability is total and
44 likely to be permanent and that he or she should be retired
45 in consequence of the disability.

46 (f) Continuance of the disability of the retired member
47 shall be established by medical examination, as prescribed
48 in subdivision (3), subsection (e) of this section, annually
49 for five years after retirement, and thereafter at such times
50 required by the retirement board. Effective the first day
51 of July, one thousand nine hundred ninety-eight, a mem-
52 ber who has retired because of a disability may select an
53 option of payment under the provisions of section twenty-
54 eight of this article: *Provided*, That any option selected
55 under the provisions of section twenty-eight of this article
56 shall be in all respects the actuarial equivalent of the
57 straight life annuity benefit the disability retiree receives
58 or would receive if the options under said section were not
59 available and that no beneficiary or beneficiaries of the
60 disability annuitant may receive a greater benefit, nor
61 receive any benefit for a greater length of time, than the

62 beneficiary or beneficiaries would have received had the
63 disability retiree not made any election of the options
64 available under said section. In determining the actuarial
65 equivalence, the board shall take into account the life
66 expectancies of the member and the beneficiary: *Provided,*
67 *however,* That the life expectancies may at the discretion
68 of the board be established by an underwriting medical
69 director of a competent insurance company offering
70 annuities. Payment of the disability annuity provided in
71 this article shall cease immediately if the retirement board
72 finds that the disability of the retired teacher no longer
73 exists, or if the retired teacher refuses to submit to medical
74 examination as required by this section.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Clardy White
.....
Chairman Senate Committee

R. Beer
.....
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Daniel Ekles
.....
Clerk of the Senate

Buzz D. Sw
.....
Clerk of the House of Delegates

Carl Ray Tomblin
.....
President of the Senate

Robert S. 2
.....
Speaker House of Delegates

The within *is approved* this the *3rd*
Day of *April*, 2006.

Paul S. Hancock
.....
Governor

PRESENTED TO THE
GOVERNOR

APR 03 2006

Time 2:03 pm