

E N G R O S S E D

## H. B. 2345

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(BY DELEGATES MANCHIN, LONGSTRETH AND D. POLING)

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[Introduced January 12, 2011; referred to the  
Committee on Political Subdivisions then Government  
Organization.]

A BILL to amend and reenact §5-16-4 of the Code of West Virginia, 1931, as amended, relating to replacing a citizen member with a municipal or county representative on the Public Employees Insurance Agency Finance Board.

*Be it enacted by the Legislature of West Virginia:*

That §5-16-4 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

**ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.**

**§5-16-4. Public Employees Insurance Agency Finance Board continued; qualifications, terms and removal of members; quorum; compensation and expenses; termination date.**

1           (a) The Public Employees Insurance Agency Finance  
2 Board is continued and consists of the following members,  
3 effective July 1, 2012:

4           (1) The Secretary of the Department of Administration  
5 or his or her designee; ~~and eight members appointed by the~~  
6 ~~Governor, with the advice and consent of the Senate, for~~  
7 ~~terms of four years and until the appointment of their~~  
8 ~~successors. Members may be reappointed for successive~~  
9 ~~terms. No more than five members, including the Secretary~~  
10 ~~of the Department of Administration, may be of the same~~  
11 ~~political party.~~

12           ~~(b) Of the eight members appointed by the Governor,~~

13           (2) One member shall represent the interests of  
14 education employees;

15           (3) One shall represent the interests of public  
16 employees;

17           (4) One shall represent the interests of retired  
18 employees;

19           (5) One shall represent the interests of organized labor;

20       (6) One shall represent the interest of a participating  
21 political subdivision; and

22       (7) four Three shall be selected from the public at large.

23       (b) The Governor shall appoint the member representing  
24 the interests of education employees from a list of three  
25 names submitted by the largest organization of education  
26 employees in this state.

27       (c) The Governor shall appoint the member representing  
28 the interests of organized labor from a list of three names  
29 submitted by the state's largest organization representing  
30 labor affiliates.

31       (d) The ~~four~~ three members appointed from the public  
32 shall each have experience in the financing, development or  
33 management of employee benefit programs.

34       (e) The members shall be appointed by the Governor,  
35 with the advice and consent of the Senate, for terms of four  
36 years and members may serve until the successors are  
37 appointed and qualified. Members may be reappointed for  
38 successive terms. No more than five members, including

39 the Secretary of the Department of Administration, may be  
40 of the same political party.

41 (f) All appointments shall be selected to represent the  
42 different geographical areas within the state and all  
43 members shall be residents of West Virginia. No member  
44 may be removed from office by the Governor except for  
45 official misconduct, incompetence, neglect of duty, neglect  
46 of fiduciary duty or other specific responsibility imposed by  
47 this article or gross immorality.

48 (c) (g) The Secretary of the Department of Administration  
49 shall serve as Chair of the Finance Board, which shall meet at  
50 times and places specified by the call of the chair or upon the  
51 written request to the chair of at least two members. The  
52 Director of the Public Employees Insurance Agency shall serve  
53 as staff to the board. Notice of each meeting shall be given in  
54 writing to each member by the director at least three days in  
55 advance of the meeting. Five members constitute a quorum.

56 (h) The board shall pay each member the same  
57 compensation and expense reimbursement that is paid to

58 members of the Legislature for their interim duties, as  
59 ~~recommended by the Citizens Legislative Compensation~~  
60 ~~Commission and authorized by law~~, for each day or portion  
61 of a day engaged in the discharge of official duties.

62       ~~(d)~~ (i) Upon termination of the board and notwithstanding  
63 any provisions in this article to the contrary, the director is  
64 authorized to assess monthly employee premium contributions  
65 and to change the types and levels of costs to employees only  
66 in accordance with this subsection. Any assessments or  
67 changes in costs imposed pursuant to this subsection shall be  
68 implemented by legislative rule proposed by the director for  
69 promulgation pursuant to the provisions of article three, chapter  
70 twenty-nine-a of this code. Any employee assessments or costs  
71 previously authorized by the Finance Board shall then remain  
72 in effect until amended by rule of the director promulgated  
73 pursuant to this subsection.

NOTE: The purpose of this bill is to change the membership of the PEIA Financial Board by changing the number of citizen members from four to three, and requiring the position of the former citizen member be taken by a person who is an interested person from a participating political subdivision.

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