

COMMITTEE SUBSTITUTE

FOR

H. B. 4332

(BY DELEGATES STOWERS, R. PHILLIPS AND BARKER)

(Originating in the Committee on Finance)
[February 22, 2012]

A BILL to amend and reenact §16-5V-9 of the Code of West Virginia, 1931, as amended, relating to transfer of service credit from Public Employees Retirement System to Emergency Medical Services Retirement System.

Be it enacted by the Legislature of West Virginia:

That §16-5V-9 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

**ARTICLE 5V. EMERGENCY MEDICAL SERVICES
RETIREMENT SYSTEM ACT.**

§16-5V-9. Transfer from Public Employees Retirement System.

- 1 (a) The Consolidated Public Retirement Board shall,
- 2 within one hundred eighty days of the effective date of the

3 transfer of an emergency medical services officer from the
4 Public Employees Retirement System to the plan, transfer
5 assets from the Public Employees Retirement System Trust
6 Fund into the West Virginia Emergency Medical Services
7 Trust Fund.

8 (b) Except as provided in subsection (e) of this section,
9 the amount of assets to be transferred for each transferring
10 emergency medical services officer shall be computed as of
11 January 1, 2008, using July 1, 2007, actuarial valuation of the
12 Public Employees Retirement System, and updated with
13 seven and one-half percent annual interest to the date of the
14 actual asset transfer. The market value of the assets of the
15 transferring emergency medical services officer in the Public
16 Employees Retirement System shall be determined as of the
17 end of the month preceding the actual transfer. To determine
18 the computation of the asset share to be transferred the board
19 shall:

20 (1) Compute the market value of the Public Employees
21 Retirement System assets as of July 1, 2007, actuarial

22 valuation date under the actuarial valuation approved by the
23 board;

24 (2) Compute the actuarial accrued liabilities for all Public
25 Employees Retirement System retirees, beneficiaries,
26 disabled retirees and terminated inactive members as of July
27 1, 2007, actuarial valuation date;

28 (3) Compute the market value of active member assets in
29 the Public Employees Retirement System as of July 1, 2007,
30 by reducing the assets value under subdivision (1) of this
31 subsection by the inactive liabilities under subdivision (2) of
32 this subsection;

33 (4) Compute the actuarial accrued liability for all active
34 Public Employees Retirement System members as of July 1,
35 2007, actuarial valuation date approved by the board;

36 (5) Compute the funded percentage of the active
37 members' actuarial accrued liabilities under the Public
38 Employees Retirement System as of July 1, 2007, by dividing
39 the active members' market value of assets under subdivision

40 (3) of this subsection by the active members' actuarial
41 accrued liabilities under subdivision (4) of this subsection;

42 (6) Compute the actuarial accrued liabilities under the
43 Public Employees Retirement System as of July 1, 2007, for
44 active emergency medical services officers transferring to the
45 Emergency Medical Services Retirement System;

46 (7) Determine the assets to be transferred from the Public
47 Employees Retirement System to the Emergency Medical
48 Services Retirement System by multiplying the active
49 members' funded percentage determined under subdivision
50 (5) of this subsection by the transferring active members'
51 actuarial accrued liabilities under the Public Employees
52 Retirement System under subdivision (6) of this subsection
53 and adjusting the asset transfer amount by interest at seven
54 and five-tenths percent for the period from the calculation
55 date of July 1, 2007, through the first day of the month in
56 which the asset transfer is to be completed.

57 (c) Once an emergency medical services officer has
58 elected to transfer from the Public Employees Retirement

59 System, transfer of that amount as calculated in accordance
60 with the provisions of subsection (b) of this section, or
61 subsection (e) if applicable, by the Public Employees
62 Retirement System shall operate as a complete bar to any
63 further liability to the Public Employees Retirement System
64 and constitutes an agreement whereby the transferring
65 emergency medical services officer forever indemnifies and
66 holds harmless the Public Employees Retirement System
67 from providing him or her any form of retirement benefit
68 whatsoever until that emergency medical services officer
69 obtains other employment which would make him or her
70 eligible to reenter the Public Employees Retirement System
71 with no credit whatsoever for the amounts transferred to the
72 Emergency Medical Services Retirement System.

73 (d) Eligible emergency medical services officers that
74 transfer from plans other than the Public Employees
75 Retirement System shall have service recognized under this
76 plan through the purchase of the service through payment by
77 the member of sixty percent of the actuarial accrued liabilities

78 which would result if the service is credited under the
79 Emergency Medical Services Retirement System subject to
80 the following:

81 (1) The service may be purchased in one-year increments
82 of eligible service or for the total period of eligible service;

83 (2) Payment must begin within twelve months of the
84 effective date of this article;

85 (3) Payment must be made in either a one-time lump sum
86 payment received by the board no later than December 31,
87 2008, or in regular installment payments payable over sixty
88 months with the initial installment received by the board on
89 or before December 31, 2008;

90 (4) The rate of interest applicable to regular installment
91 payments for the purchase of service shall be the actuarial
92 interest rate assumption as approved by the board for
93 completing the actuarial valuation for the plan year
94 immediately preceding the first day of the plan year in which
95 the service purchase is made, compounded per annum;

96 (5) Once payments commence, selection of the period of
97 service being purchased may not be amended; and

98 (6) Service will be credited only upon receipt by the
99 board of all payments due.

100 (e) Notwithstanding any provision of this code to the
101 contrary, any Emergency Medical Services director who: (1)
102 is an active member of the Public Employees Retirement
103 System; and (2) has, or obtains within one year of the
104 effective date of the amendments to this section enacted
105 during the 2012 regular session of the Legislature, basic or
106 higher emergency management technician certification, is
107 eligible to transfer service credit from the Public Employees
108 Retirement System to the Emergency Medical Services
109 Retirement System, upon payment of associated costs by the
110 transferring director. The board shall compute the actuarially
111 appropriate amount of any increased benefit cost of transfer
112 to be borne by the transferring director to be paid according
113 to terms established by the board. Any Emergency Medical
114 Services director who transfers to the Emergency Medical

115 Services Retirement System pursuant to the provisions of this
116 subsection shall apply for the transfer to the board within one
117 year of the effective date of the amendments to this section
118 enacted during the 2012 regular session of the Legislature.
119 Upon receipt of the total payment of all associated costs by
120 the transferring director, the board shall compute the amount
121 of assets to be transferred from the Public Employees
122 Retirement System to the Emergency Medical Retirement
123 System and shall transfer the assets within six months of the
124 receipt of the application. Any director transferring into the
125 retirement system as provided in this subsection is prohibited
126 from retiring within three years of transfer.