

1 COMMITTEE SUBSTITUTE

2 FOR

3 **Senate Bill No. 583**

4 (By Senator Kirkendoll)

5 \_\_\_\_\_  
6 [Originating in the Committee on Pensions;

7 reported March 25, 2013.]

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9 **FISCAL  
NOTE**

10 A BILL to amend and reenact §16-5V-9 of the Code of West Virginia,  
11 1931, as amended, relating to transfer from Public Employees  
12 Retirement System to the Emergency Medical Services Retirement  
13 System; and providing that a transferring director has  
14 thirty-six months from the date of application to pay all  
15 associated costs.

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

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

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

20 **§16-5V-9. Transfer from Public Employees Retirement System.**

21 (a) The Consolidated Public Retirement Board shall, within one  
22 hundred eighty days of the effective date of the transfer of an  
23 emergency medical services officer from the Public Employees  
24 Retirement System to the plan, transfer assets from the Public  
25 Employees Retirement System Trust Fund into the West Virginia

1 Emergency Medical Services Trust Fund.

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

13 (1) Compute the market value of the Public Employees  
14 Retirement System assets as of July 1, 2007, actuarial valuation  
15 date under the actuarial valuation approved by the board;

16 (2) Compute the actuarial accrued liabilities for all Public  
17 Employees Retirement System retirees, beneficiaries, disabled  
18 retirees and terminated inactive members as of July 1, 2007,  
19 actuarial valuation date;

20 (3) Compute the market value of active member assets in the  
21 Public Employees Retirement System as of July 1, 2007, by reducing  
22 the assets value under subdivision (1) of this subsection by the  
23 inactive liabilities under subdivision (2) of this subsection;

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

1           (5) Compute the funded percentage of the active members'  
2 actuarial accrued liabilities under the Public Employees Retirement  
3 System as of July 1, 2007, by dividing the active members' market  
4 value of assets under subdivision (3) of this subsection by the  
5 active members' actuarial accrued liabilities under subdivision (4)  
6 of this subsection;

7           (6) Compute the actuarial accrued liabilities under the Public  
8 Employees Retirement System as of July 1, 2007, for active  
9 emergency medical services officers transferring to the Emergency  
10 Medical Services Retirement System;

11          (7) Determine the assets to be transferred from the Public  
12 Employees Retirement System to the Emergency Medical Services  
13 Retirement System by multiplying the active members' funded  
14 percentage determined under subdivision (5) of this subsection by  
15 the transferring active members' actuarial accrued liabilities  
16 under the Public Employees Retirement System under subdivision (6)  
17 of this subsection and adjusting the asset transfer amount by  
18 interest at seven and five-tenths percent for the period from the  
19 calculation date of July 1, 2007, through the first day of the  
20 month in which the asset transfer is to be completed.

21          (c) Once an emergency medical services officer has elected to  
22 transfer from the Public Employees Retirement System, transfer of  
23 that amount as calculated in accordance with the provisions of  
24 subsection (b) of this section, or subsection (e) if applicable by  
25 the Public Employees Retirement System shall operate as a complete  
26 bar to any further liability to the Public Employees Retirement

1 System and constitutes an agreement whereby the transferring  
2 emergency medical services officer forever indemnifies and holds  
3 harmless the Public Employees Retirement System from providing him  
4 or her any form of retirement benefit whatsoever until that  
5 emergency medical services officer obtains other employment which  
6 would make him or her eligible to reenter the Public Employees  
7 Retirement System with no credit whatsoever for the amounts  
8 transferred to the Emergency Medical Services Retirement System.

9 (d) Eligible emergency medical services officers that transfer  
10 from plans other than the Public Employees Retirement System shall  
11 have service recognized under this plan through the purchase of the  
12 service through payment by the member of sixty percent of the  
13 actuarial accrued liabilities which would result if the service is  
14 credited under the Emergency Medical Services Retirement System  
15 subject to the following:

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

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

20 (3) Payment must be made in either a one-time lump sum payment  
21 received by the board no later than December 31, 2008, or in  
22 regular installment payments payable over sixty months with the  
23 initial installment received by the board on or before December 31,  
24 2008;

25 (4) The rate of interest applicable to regular installment  
26 payments for the purchase of service shall be the actuarial

1 interest rate assumption as approved by the board for completing  
2 the actuarial valuation for the plan year immediately preceding the  
3 first day of the plan year in which the service purchase is made,  
4 compounded per annum;

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

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

9 (e) Notwithstanding any provision of this code to the  
10 contrary, any Emergency Medical Services director who: (1) Is an  
11 active member of the Public Employees Retirement System; and (2)  
12 has, or obtains within one year of the effective date of the  
13 amendments to this section enacted during the 2012 regular session  
14 of the Legislature, basic or higher emergency management technician  
15 certification, is eligible to transfer service credit from the  
16 Public Employees Retirement System to the Emergency Medical  
17 Services Retirement System, upon payment of associated costs by the  
18 transferring director. The board shall compute the actuarially  
19 appropriate amount of any increased benefit cost of transfer to be  
20 borne by the transferring director to be paid according to terms  
21 established by the board: Provided, That the board shall only be  
22 required to calculate this amount three times. Any Emergency  
23 Medical Services director who transfers to the Emergency Medical  
24 Services Retirement System pursuant to the provisions of this  
25 subsection shall apply for the transfer to the board within one  
26 year of the effective date of the amendments to this section

1 enacted during the 2012 regular session of the Legislature:  
2 Provided, That the transferring director has thirty-six months from  
3 the date of application to pay all associated costs in a lump sum.  
4 Upon receipt of the total payment of all associated costs by the  
5 transferring director, the board shall compute the amount of assets  
6 to be transferred from the Public Employees Retirement System to  
7 the Emergency Medical Retirement System and shall transfer the  
8 assets within six months of the receipt of the ~~application~~ lump sum  
9 payment of all associated costs. Any director transferring into  
10 the retirement system as provided in this subsection is prohibited  
11 from retiring within three years of transfer of the Public  
12 Employees Retirement System assets.

NOTE: The purpose of this bill is to provide that a transferring director from the Public Employees Retirement System to the Emergency Medical Services Retirement System has thirty-six months from the date of application to pay all associated costs.

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