

WEST VIRGINIA LEGISLATURE

2018 REGULAR SESSION

Introduced

House Bill 4539

BY DELEGATES PETHTEL, ANDERSON, HAMILTON, HOLLEN

AND E. EVANS

[Introduced February 13, 2018; Referred
to the Committee on Pensions and Retirement then
Finance.]

1 A BILL to amend and reenact §7-14D-7 of the Code of West Virginia, 1931, as amended, and to
 2 amend said code by adding thereto a new section, designated §7-14D-11a, all relating to
 3 providing an annual annuity adjustment of 1 percent for eligible deputy sheriff retirants and
 4 surviving spouses; and setting a minimum amount of employer contribution.

Be it enacted by the Legislature of West Virginia:

ARTICLE 14D. DEPUTY SHERIFF RETIREMENT SYSTEM ACT.

§7-14D-7. Members' contributions; employer contributions.

1 (a) There shall be deducted from the monthly salary of each member and paid into the
 2 fund an amount equal to 8.5 percent of his or her monthly salary. An additional amount shall be
 3 paid to the fund by the county commission of the county in which the member is employed in
 4 covered employment in an amount determined by the board: *Provided*, That in any year preceding
 5 July 1, 2011, the total of the contributions provided in this section, to be paid by the county
 6 commission, may not exceed 10.5 percent of the total payroll for the members in the employ of
 7 the county commission; *Provided, however*, That on or after July 1, 2011, the total of the
 8 contributions provided in this section, to be paid by the county commission, may not exceed 13
 9 percent of the total payroll for the members in the employ of the county commission; *Provided*
 10 *further*, That on or after July 1, 2018, the total of the contributions provided in this section, to be
 11 paid by the county commission, may not be less than 12 percent of the total payroll for the member
 12 in the employ of the county commission until the fund has a funding ratio that would authorize an
 13 annual annuity adjustment as provided pursuant to the provisions of §7-14D-11a of this code: *And*
 14 *provided further*, That on or after the first year the fund has a funding ratio that would authorize
 15 an annual annuity adjustment as provided pursuant to the provisions of §7-14D-11a of this code,
 16 the total of the contributions provided in this section, to be paid by the county commission, may
 17 not exceed 13 percent of the total payroll for the members in the employ of the county commission.
 18 If the board finds that the benefits provided by this article can be actually funded with a lesser
 19 contribution, then the board shall reduce the required member or employer contributions or both.

20 The sums withheld each calendar month shall be paid to the fund no later than 15 days following
21 the end of the calendar month.

22 (b) Any active member who has concurrent employment in an additional job or jobs and
23 the additional employment requires the deputy sheriff to be a member of another retirement
24 system which is administered by the Consolidated Public Retirement Board pursuant to §5-10D-
25 1 *et seq.* of this code shall make an additional contribution to the fund of 8.5 percent of his or her
26 monthly salary earned from any additional employment which requires the deputy sheriff to be a
27 member of another retirement which is administered by the Consolidated Public Retirement Board
28 pursuant to that article. An additional amount shall be paid to the fund by the concurrent employer
29 for which the member is employed in an amount determined by the board: *Provided*, That in any
30 year preceding July 1, 2011, the total of the contributions provided in this section, to be paid by
31 the concurrent employer, may not exceed 10.5 percent of the monthly salary of the employee:
32 *Provided, however*, That on or after July 1, 2011, the total of the contributions provided in this
33 section, to be paid by the concurrent employer, may not exceed 13 percent of the monthly salary
34 of the employee. If the board finds that the benefits provided by this article can be funded with a
35 lesser contribution, then the board shall reduce the required member or employer contributions
36 or both. The sums withheld each calendar month shall be paid to the fund no later than fifteen
37 days following the end of the calendar month.

§7-14D-11a. Annual annuity adjustment.

1 (a) Every retirant of the plan who is 60 years of age or older and who is retired under the
2 provisions of §7-14D-9 or §7-14D-15 of this code; every retirant who is retired under the provisions
3 of §7-14D-14 or §7-14D-17 of this code; and every surviving spouse receiving a benefit pursuant
4 to §7-14D-18 through §7-14D-20 of this code is eligible to receive an annual retirement annuity
5 adjustment equal to 1 percent of his or her retirement award or surviving spouse award: *Provided*,
6 That the actuarial accrued liability of the plan has reached a funded level of 122.5 percent or more
7 in the most recent actuarial valuation: *Provided, however*, That no annual retirement annuity

8 adjustment may be given if the plan does not have a funded level of 122.5 percent or more in the
9 most recent actuarial valuation. The adjustments are not retroactive. Yearly adjustments begin
10 upon July 1 of each year in any year that the plan has reached a funded level of 122.5 percent or
11 more in the most recent actuarial valuation. The annuity adjustments shall be paid to the retirant
12 or surviving spouse from the fund in equal monthly installments while the retirant or surviving
13 spouse is receiving annuity payments. The annuity adjustments shall supplement the retirement
14 awards and benefits provided in this article.

15 (b) Any retirant or surviving spouse who receives a benefit pursuant to the provisions of
16 §7-14D-14, or §7-14D-17 through §7-14D-20 of this code shall begin to receive the annual annuity
17 adjustment one year after the commencement of the benefit on the next July 1: If the retirant has
18 been retired for less than one year or if the surviving spouse has been in receipt of surviving
19 spouse payments for less than one year when the first annuity adjustment is given on that July 1,
20 that first annuity adjustment will be a pro rata share of the full year's annuity adjustment.

NOTE: The purpose of this bill is to provide an annual annuity adjustment of 1 percent for eligible deputy sheriff retirants and surviving spouses. The bill sets a minimum amount of employer contribution.

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