

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

Introduced

House Bill 4350

FISCAL
NOTE

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[Introduced January 15, 2020; Referred to the
Committee on Pensions and Retirement then
Finance]

1 A BILL to amend and reenact §7-14D-24 of the Code of West Virginia, 1931, as amended, relating
2 to the Deputy Sheriff Retirement System Act; service as sheriff.

Be it enacted by the Legislature of West Virginia:

ARTICLE 14D. DEPUTY SHERIFF RETIREMENT SYSTEM ACT.

§7-14D-24. Service as sheriff.

1 (a) Any ~~active~~ member who after the effective date of this article is elected sheriff of a
2 county in West Virginia may elect to continue as a member in this plan by paying the amounts
3 required by section seven of this article. Upon the election, service as a sheriff shall be treated as
4 covered employment and the sheriff is not entitled to any credit for that service under any other
5 retirement system of the state.

6 (b) Any member retired as a deputy sheriff under this plan who, after the effective date of
7 this article, is elected or appointed sheriff of a county in West Virginia, may elect to suspend the
8 payment of his or her annuity from this system and again become a contributing member of this
9 plan by paying the amounts required by section seven of this article. Upon such election, service
10 as a sheriff shall be treated as covered employment, and the sheriff is not entitled to any credit
11 for that period of elected service under any other retirement system of the state. At the end of his
12 or her term as sheriff, the member making such election shall have his or her annuity re-calculated
13 and shall be granted an adjustment to his or her previous annuity to include the period of elected
14 service.

15 (c) Any person, who before the effective date of this article was elected sheriff of a county
16 in West Virginia, and who, immediately prior to being so elected sheriff, was a deputy sheriff with
17 at least 20 years of credited service under the Public Employees Retirement System, with at least
18 16 of those 20 years having been earned as a deputy sheriff, may elect to become a member of
19 this plan by paying the amounts required by section seven of this article. Upon such election,
20 service shall be transferred from the Public Employees Retirement System pursuant to section
21 eight of this article: *Provided*, That any service as a sheriff shall be treated as covered employment

22 under this article and the sheriff is not entitled to any credit for that service as a sheriff or the prior
23 service as a deputy sheriff under any other retirement system of the state. Persons making the
24 election provided for in this subsection shall do so within 10 days of taking office as sheriff or
25 within 10 days of the effective date of this provision.

26 (d) Any person who, before the effective date of this article, was elected sheriff of a county
27 of West Virginia, and who, prior to being elected sheriff, was a deputy sheriff and also a previously
28 elected sheriff, with credited service under the Public Employees Retirement System, with at least
29 16 of those years having been earned as combined service as a deputy sheriff and a previously
30 elected sheriff, may elect to become a member of this plan by paying the amounts required by
31 §7-14-7 of this code. Upon such election, service shall be transferred from the Public Employees
32 Retirement System pursuant to §7-14-8 of this code: *Provided*, That a persons service as a sheriff
33 shall be treated as covered employment under this article, and that person is not entitled to any
34 credit for that service as a sheriff or deputy sheriff under any other retirement system of this state.
35 A person making the election provided in this subsection shall do so within 30 days of taking office
36 as a sheriff or within 30 days of the effective date of this provision.

37 (e) Notwithstanding any other provision of the code to the contrary, any member who was
38 elected sheriff of a county of West Virginia to serve on or after January 1, 2013, and who has not
39 commenced retirement in the Deputy Sheriff Retirement System or the Public Employees
40 Retirement System, must notify the board in writing by July 31, 2020, of his or her intent to pay
41 the difference in the employee contribution between the Public Employees Retirement System
42 and the Deputy Sheriff Retirement System in order to transfer all service credit earned as a sheriff
43 or purchased in accordance with Section 414(u) of the Internal Revenue Code and the federal
44 Uniformed Services Employment and Reemployment Rights Act (USERRA) from the Public
45 Employees Retirement System to the Deputy Sheriff Retirement System. The board shall
46 compute the difference in employee contributions owed up through September 30, 2020, on the
47 total compensation for which assets are being transferred and notify the sheriff of the amount

48 owed in writing by letter mailed no later than August 21, 2020. This difference in employee
49 contributions must be paid in full by the sheriff to the Deputy Sheriff Retirement System no later
50 than September 30, 2020. If timely paid, employee and employer contributions to the Deputy
51 Sheriff Retirement System shall commence October 1, 2020.

52 (1) The board shall transfer assets from the Public Employees Retirement System into the
53 Deputy Sheriff Retirement System no later than November 30, 2020.

54 (2) The amount of assets to be transferred for each transferring sheriff shall be computed
55 as of July 1, 2019, using the actuarial valuation assumptions in effect for the July 1, 2019 actuarial
56 valuation of the Public Employees Retirement System, and updated with seven and one-half
57 percent annual interest to the date of the actual asset transfer. The market value of the assets of
58 the transferring sheriff in the Public Employees Retirement System shall be determined as of the
59 end of the month preceding the actual transfer. To determine the computation of the asset share
60 to be transferred the board shall:

61 (A) Compute the market value of the Public Employees Retirement System assets;

62 (B) Compute the accrued liability for all Public Employees Retirement System retirees,
63 beneficiaries, disabled retirees, and terminated inactive members;

64 (C) Reduce the market value of Public Employees Retirement System assets by the
65 accrued liability determined in paragraph (B) of this subdivision;

66 (D) Compute the entry age method accrued liability for all active Public Employees
67 Retirement System members;

68 (E) Compute the share of accrued liability as determined pursuant to paragraph (D) of this
69 subdivision, that is attributable to those sheriffs in Public Employees Retirement System who have
70 elected to transfer to the plan;

71 (F) Compute the percentage of active's accrued liability computed to the sheriffs by
72 dividing paragraph (E) by paragraph (D) of this subdivision;

73 (G) Determine the asset share to be transferred from Public Employees Retirement

74 System to the plan by multiplying paragraph (C) times paragraph (F) of this subdivision.

NOTE: The purpose of this bill is to clarify the permission for any elected sheriff who was a qualified member of the DSRS to resume participation in the DSRS if the deputy sheriff had a break in service to run for election to the office of sheriff.

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