

WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

Introduced

Senate Bill 395

FISCAL
NOTE

BY SENATOR MARONEY

[Introduced February 22, 2021; referred
to the Committee on Finance]

1 A BILL to amend and reenact §5-16-4 of the Code of West Virginia, 1931, as amended, relating
 2 to expanding the membership of the Public Employees Insurance Agency Finance Board.

Be it enacted by the Legislature of West Virginia:

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 Board is continued and consists of
 2 the Secretary of the Department of Administration or his or her designee and eight members
 3 appointed by the Governor, with the advice and consent of the Senate, for terms of four years
 4 and each may serve until his or her successor is appointed and qualified. Members may be
 5 reappointed for successive terms. No more than ~~five~~ six members, including the Secretary of the
 6 Department of Administration, may be of the same political party. Effective July 1, 2017, members
 7 of the board shall satisfy the qualification requirements provided for by subsection (b) of this
 8 section: *Provided*, That any member serving upon the effective date of this section who does not
 9 satisfy a requirement of subsection (b) may continue to serve until his or her successor has been
 10 appointed and qualified. The Governor shall make appointments necessary to satisfy the
 11 requirements of subsection (b) to staggered terms as determined by the Governor.

12 (b) (1) Of the ~~eight~~ 10 members appointed by the Governor with advice and consent of
 13 the Senate:

14 (A) One member shall represent the interests of education employees. The member ~~must~~
 15 shall hold a bachelor's degree, ~~must~~ shall have obtained teacher certification, ~~must~~ shall be
 16 employed as a teacher for a period of at least three years prior to his or her appointment and ~~must~~
 17 shall remain a teacher for the duration of his or her appointment to remain eligible to serve on the
 18 board.

19 (B) One member shall represent the interests of public employees. The member ~~must~~
20 shall be employed to perform full- or part-time service for wages, salary, or remuneration for a
21 public body for a period of at least three years prior to his or her appointment and ~~must~~ shall
22 remain an employee of a public body for the duration of his or her appointment to remain eligible
23 to serve on the board.

24 (C) One member shall represent the interests of retired employees. The member ~~must~~
25 shall meet the definition of retired employee as provided in section two of this article.

26 (D) One member shall represent the interests of a participating political subdivision. The
27 member ~~must~~ shall have been employed by a political subdivision for a period of at least three
28 years prior to his or her appointment and ~~must~~ shall remain an employee of a political subdivision
29 for the duration of his or her appointment to remain eligible to serve on the board. The member
30 may not be an elected official.

31 (E) One member shall represent the interests of hospitals. The member shall have been
32 employed by a hospital for a period of at least three years prior to his or her appointment and shall
33 remain an employee of a hospital for the duration of his or her appointment to remain eligible to
34 serve on the board.

35 ~~(E)~~ (F) One member shall represent the interests of small business. The member shall
36 have owned his or her business for a period of at least three years prior to his or her appointment
37 and shall maintain ownership of his or her business for the duration of his or her appointment to
38 remain eligible to serve on the board.

39 (G) Four members ~~must~~ shall be selected from the public at large, meeting the following
40 requirements:

41 (i) One member selected from the public at large ~~must~~ shall generally have knowledge
42 and expertise relating to the financing, development, or management of employee benefit
43 programs;

44 (ii) One member selected from the public at large ~~must~~ shall have at least three years of
45 experience in the insurance benefits business;

46 (iii) One member selected from the public at large ~~must~~ shall be a certified public
47 accountant with at least three years of experience with financial management and employee
48 benefits program experience; and

49 (iv) One member selected from the public at large ~~must~~ shall be a health care actuary or
50 certified public accountant with at least three years of financial experience with the health care
51 marketplace.

52 (2) No member of the board may be a registered lobbyist.

53 (3) All appointments shall be selected to represent the different geographical areas within
54 the state and all members shall be residents of West Virginia. No member may be removed from
55 office by the Governor except for official misconduct, incompetence, neglect of duty, neglect of
56 fiduciary duty or other specific responsibility imposed by this article or gross immorality.

57 (c) The Secretary of the Department of Administration shall serve as chair of the finance
58 board, which shall meet at times and places specified by the call of the chair or upon the written
59 request to the chair of at least two members. The Director of the Public Employees Insurance
60 Agency shall serve as staff to the board. Notice of each meeting shall be given in writing to each
61 member by the director at least three days in advance of the meeting. ~~Five~~ Six members shall
62 constitute a quorum. The board shall pay each member the same compensation and expense
63 reimbursement that is paid to members of the Legislature for their interim duties for each day or
64 portion of a day engaged in the discharge of official duties.

65 (d) Upon termination of the board and notwithstanding any provisions in this article to the
66 contrary, the director is authorized to assess monthly employee premium contributions and to
67 change the types and levels of costs to employees only in accordance with this subsection. Any
68 assessments or changes in costs imposed pursuant to this subsection shall be implemented by
69 legislative rule proposed by the director for promulgation pursuant to ~~the provisions of~~ §29A-3-1

70 *et seq.* of this code. Any employee assessments or costs previously authorized by the finance
71 board shall then remain in effect until amended by rule of the director promulgated pursuant to
72 this subsection.

NOTE: The purpose of this bill is to expand the membership of the Public Employees Insurance Agency Finance Board.

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