

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

House Bill 3193

By Delegates J. Cannon and Canterbury

[Introduced March 06, 2025; referred to the
Committee on Finance]

1 A BILL to amend and reenact §8-22A-33a of the Code of West Virginia, 1931, as amended,
 2 relating to failure to pay the required contribution and interest payment for any police officer
 3 or firefighter who transferred from the Public Employees Retirement System to the
 4 Municipal Police Officers and Firefighters Retirement System.

Be it enacted by the Legislature of West Virginia:

**ARTICLE 22A. WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND
 FIREFIGHTERS RETIREMENT SYSTEM.**

**§8-22A-33a. Second special authorization for municipal police or firefighters hired after
 July 1, 2015.**

1 (a) Notwithstanding any provision of this code to the contrary, any municipality or municipal
 2 subdivision that employs individuals as members of paid police departments or paid fire
 3 departments and whose current police officers or firefighters are participating in the Public
 4 Employees Retirement System may elect, as provided in same manner as provided in § 8-22A-
 5 28(a) of this code, to become a participating public employer in the plan and thereby include its
 6 police officers and firefighters in the membership of the plan subject to the restrictions provided in
 7 this section.

8 (b) The municipality or municipal subdivision may elect to include only police officers or
 9 firefighters who have been hired on or after July 1, 2015, to become members of the plan. Police
 10 officers or firefighters hired before July 1, 2015, will remain members of the Public Employees
 11 Retirement System.

12 (c) The municipality or municipal subdivision must make its election on or prior to July 1,
 13 2025.

14 (d) Once a municipality or municipal subdivision makes its election to become a
 15 participating public employer pursuant to this section, all police officers or firefighters hired by the
 16 municipality or municipal subdivision after the date of election shall be members of the

17 plan: *Provided*, That police officers or firefighters hired by the municipality or municipal subdivision
18 on or after July 1, 2015, who are members of the Public Employees Retirement System, may
19 choose to become a member of the plan by notifying the municipality or municipal subdivision on a
20 form provided by the Consolidated Public Retirement Board: *Provided, however*, That he or she
21 make this decision within ninety days of the municipality or municipal subdivision's decision to
22 participate in the plan. A municipality or municipal subdivision making an election to become a
23 participating public employer pursuant to this section that has hired any police officer or firefighter
24 on or after July 1, 2015, shall notify each police officer or firefighter hired on or after July 1, 2015, of
25 its election to become a participating public employer within thirty days of making the election. This
26 notice shall include instructions as to how a police officer or firefighter may make notification to the
27 municipality or municipal subdivision of his or her decision to become a member in the plan. The
28 municipality or municipal subdivision shall notify the Consolidated Public Retirement Board in
29 writing of any police officer or firefighter hired after July 1, 2015, who has decided to become a
30 member of the plan and terminate his or her membership in the Public Employees Retirement
31 System within thirty days of notification by the police officer or firefighter on forms provided by the
32 Consolidated Public Retirement System.

33 (e) Notwithstanding any other provision of the code to the contrary, any police officer or
34 firefighter hired by a participating public employer on or after July 1, 2015, who chooses pursuant
35 to this section to be a member of the plan, shall be a member of the plan upon acceptance by the
36 Consolidated Public Retirement Board of the notification by the municipality required by this
37 section.

38 (1) The Consolidated Public Retirement Board shall transfer assets and service credit
39 earned on or after July 1, 2015, from the Public Employees Retirement System Trust Fund into the
40 West Virginia Municipal Police Officers and Firefighters Retirement Fund for those police officers
41 or firefighters who elect to be a member of the plan and were members in the Public Employees
42 Retirement System no later than 60 days from receipt of notification by the municipality or

43 municipal subdivision of the police officer or firefighter's election to become a member. The
44 amount of service credit recognized by the plan for the transferring employees shall be the service
45 credit transferred and recognized by the Public Employees Retirement System.

46 (2) The amount of assets to be transferred for each police officer or firefighter shall be
47 computed as of the actuarial valuation date preceding the notification to the Consolidated Public
48 Retirement Board by the municipality or municipal subdivision of the police officer or firefighter's
49 election to become a member and updated with seven and one-half percent annual interest to the
50 date of the actual asset transfer. For purposes of this section, the actuarial valuation date is the
51 most recent actuarial valuation of the Public Employees Retirement System approved by the
52 Consolidated Public Retirement Board. The market value of the assets of the transferring
53 employees in the Public Employees Retirement System shall be determined as of the end of the
54 month preceding the actual transfer. To determine the computation of the asset share to be
55 transferred, the Consolidated Public Retirement Board shall:

56 (A) Compute the market value of the Public Employees Retirement System assets using
57 the actuarial valuation date;

58 (B) Compute the actuarial accrued liabilities for all Public Employees Retirement System
59 retirees, beneficiaries, disabled retirees and terminated inactive members using the actuarial
60 valuation date:

61 (C) Compute the market value of active member assets in the Public Retirement System
62 as of the actuarial valuation date by reducing the assets value under paragraph (A) of this
63 subdivision by the inactive liabilities under paragraph (B) of this subdivision;

64 (D) Compute the actuarial accrued liability for all active Public Employees Retirement
65 System members using the actuarial valuation date immediately preceding the computation date;

66 (E) Compute the funded percentage of the active members' actuarial accrued liabilities
67 under the Public Employees Retirement System as of the actuarial valuation date by dividing the
68 active members' market value of assets under paragraph (C) of this subdivision by the active

69 members' actuarial accrued liabilities under paragraph (D) of this subsection;

70 (F) Compute the actuarial accrued liabilities under the Public Employees Retirement
71 System as of the actuarial valuation date for active employees transferring to the plan;

72 (G) Determine the assets to be transferred from the Public Employees Retirement System
73 to the plan by multiplying the active members' funded percentage determined under paragraph (E)
74 of this subdivision by the transferring active members' actuarial accrued liabilities under the Public
75 Employees Retirement System under paragraph (F) of this subdivision and adjusting the asset
76 transfer amount by interest at seven and five-tenths percent for the period from the calculation
77 date of July 1 through the first day of the month in which the asset transfer is to be completed.

78 (3) Any police officer or firefighter who elects to become a member of the plan must also
79 pay to the plan a four percent contribution no later than June 30, 2027. The contribution shall be
80 calculated as four percent of the member's total earnings for which assets are transferred, plus
81 interest of seven and one-half percent accumulated from the date of the police officer's or
82 firefighter's initial participation in the Public Employees Retirement System through the calculation
83 date. Installment payments may be made over no more than a 24 month period plus seven and
84 one-half percent interest shall accrue on the outstanding balance due from the calculation date
85 until paid in full. Any police officer or firefighter who elects to become a member of the plan but fails
86 to timely pay the required four percent contribution and interest will have all years of service in the
87 plan transferred to the Public Employees Retirement System no later than December 31, 2027.
88 The assets previously transferred to the plan shall be returned to the Public Employees
89 Retirement System, in addition to the employee and employer contribution amounts that would
90 have been paid had the member not elected to transfer, plus interest of seven and one-half
91 percent per annum. Any remaining excess employee contribution amount paid to the plan since
92 the date of transfer shall remain in the plan until the employee terminates employment with the
93 municipality.

94 (4) Once an employee transfers from the Public Employees Retirement System to the

95 plan, the Public Employees Retirement System shall bar any further liability and said transfer will
96 constitute an agreement whereby the transferring employee forever indemnifies and holds
97 harmless the Public Employees Retirement System from providing him or her any form of
98 retirement benefit whatsoever until that employee obtains other employment which would make
99 him or her eligible to reenter the Public Employees Retirement System with no credit whatsoever
100 for the amounts transferred to the plan.

NOTE: The purpose of this bill is to specify that any municipal police officer or firefighter who does not remit the required contribution and interest payment for transferring from PERS to MPFRS will be transferred back to PERS.

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