WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1963

ENROLLED
SENATE BILL NO. 81

(By Mr. McKown)

PASSED March 4, 1963

In Effect July 1, 1963

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JOE F. BURDETT
SECRETARY OF STATE
ENROLLED

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(By Mr. McKown)

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AN ACT to amend and reenact sections fourteen, seventeen, twenty-three and twenty-six, article seven-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, increasing benefits in the state teachers’ retirement system.

Be it enacted by the Legislature of West Virginia:

That sections fourteen, seventeen, twenty-three and twenty-six, article seven-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

Section 14. Contributions by Members.—At the end of each month every member of the retirement system shall contribute four and one-half per cent of his monthly
4 earnable compensation to the retirement board: Provided,
5 That in no case shall the contribution of any member
6 exceed three hundred thirty-eight dollars in any fiscal
7 year: Provided, however, That in no case shall the con-
8 tribution of any member employed by the board of gov-
9 ernors of West Virginia University, or by the West Vir-
10 ginia board of education at an institution of higher educa-
11 tion under its control, exceed two hundred sixteen dollars
12 in any fiscal year.
13 Such contributions shall be deemed to include the an-
14 nual supplementary fee of the contributor, determined as
15 hereinafter provided, which fee shall be used to help
16 finance the additional retirement benefit provided for in
17 subsection (e), section twenty-six of this article. An-
18 nually, the contributions of each member, minus his sup-
19 plementary fee, shall be credited to his account in the
20 teachers' accumulation fund. The contributions shall be
21 deducted from the salaries of the members as herein pre-
22 scribed, and every member shall be deemed to have given
23 his consent to such deductions. No deductions, however,
24 shall be made from the earnable compensation of any
teacher who retired because of age or service, and then resumed service as a teacher.

The retirement board shall each year determine to the nearest dollar the amount of the supplementary fee to be paid by each member, so that the sum of such fees paid by all members shall be sufficient to defray one-half of the cost of the retirement benefit provided for in subsection (e), section twenty-six of this article. The amount so fixed shall not exceed twenty dollars, nor shall it in any case exceed one-sixth of the annual contribution of the member. All supplementary fees shall be deposited in the benefit fund.

The aggregate of employer contributions, due and payable under this article, shall equal annually the total deductions from the earnable compensation of members required by this section. All employer contributions shall be credited to the employers’ accumulation fund, from which fund an amount equalling annually the supplementary fees of members shall be transferred to the benefit fund.

Payment by an employer to a member of the sum speci-
fied in the employment contract minus the amount of the employee's deductions shall be deemed to be a full discharge of the employer's contractual obligation as to earnable compensation.

Each contributor shall file with the retirement board or with the employer to be forwarded to the retirement board an enrollment form showing his date of birth and other data needed by the retirement board. Upon notice from the retirement board to the employer that a contributor has failed to file such forms as prescribed, the employer shall withhold the salary of the contributor until the needed form is filed with the retirement board.

Sec. 17. Statement and Computation of Teachers' Service.—Under such rules and regulations as the retirement board may adopt, each teacher shall file a detailed statement of his length of service as a teacher for which he claims credit. The retirement board shall determine what part of a year is the equivalent of a year of service. In computing such service, however, it shall credit no period of more than a month's duration during which a member
was absent without pay, nor shall it credit for more than one year service performed in any calendar year.

For the purpose of this article the retirement board shall grant prior service credit to new entrants and other members of the retirement system for service in any of the armed forces of the United States in any period of national emergency within which a federal selective service act was in effect. For purposes of this section "armed forces" shall include women's army corps, women's appointed volunteers for emergency service, army nurse corps, spars, women's reserve, and other similar units officially parts of the military service of the United States. Such military service shall be deemed equivalent to public school teaching, and the salary equivalent for each year of such service shall be the actual salary of the member as a teacher for his first year of teaching after discharge from military service. Prior service credit for military service shall not exceed ten years for any one member, nor shall it exceed twenty-five per cent of total service at the time of retirement.

For service as a teacher in the employment of the fed-
eral government, or a state or territory of the United States, or a governmental subdivision of such state or territory the retirement board shall grant credit to the same extent and on the same conditions, if any, as a retirement system established for teachers in such employment would grant credit for service as a teacher in the public schools of West Virginia.

No member shall be deemed absent from service as a teacher while serving as a member of the Legislature of the state of West Virginia during any duly constituted session of that body.

If a member is not eligible for prior service credit or pension as provided in this article, then his prior service shall not be deemed a part of his total service.

A member who withdrew from membership shall be permitted to regain his former membership rights as specified in section thirteen of this article only in case he has served two years since his last withdrawal.

Subject to the above provisions, the board shall verify as soon as practicable, the statements of service submitted. The retirement board shall issue prior service
certificates to all persons eligible therefor under the provisions of this article. Such certificates shall state the length of such prior service credit, but in no case shall the prior service credit exceed forty years.

Sec. 23. Withdrawal and Death Benefits.—Benefits upon withdrawal from service prior to retirement under the provisions of this article shall be as follows:

(a) A contributor who withdraws from service as a teacher for any cause other than death or retirement shall, on demand, be paid his accumulated contributions plus refund interest up to but not including the date of his last contribution, if he is then no longer under contract, verbal or otherwise, to serve as a teacher; or

(b) If such contributor has completed twenty years of total service he may elect to receive at retirement age an annuity which shall be computed as provided in this article. The contributor must notify the retirement board in writing concerning such election.

Benefits upon the death of a contributor prior to retirement under the provisions of this article shall be paid as follows:
18 (1) If the contributor was at least fifty years old, and
19 if his total service as a teacher was at least twenty-five
20 years at the time of his death, then the surviving spouse
21 of the deceased shall be deemed eligible for an annuity
22 which shall be computed as though the deceased were
23 actually a retired teacher at the time of death, and had
24 selected a survivorship option which pays such spouse
25 the same monthly amount which would have been re-
26 ceived by the deceased; or
27 (2) If the facts do not permit payment under the pre-
28 ceding paragraph (1), then the following sum shall be
29 paid to the refund beneficiary of the contributor: his ac-
30 cumulated contributions with refund interest up to the
31 year of his death plus the amount of his accumulated con-
32 tributions. The latter sum shall emanate from the em-
33 ployers’ accumulation fund.

Sec. 26. Allowance Upon Retirement.—Annuitants
2 whose annuities were approved by the retirement board
3 prior to the effective date of this act shall be paid the
4 annuities which were approved by the retirement board.
Annuities approved by the board after the effective date of this act shall be computed as provided herein.

Upon establishment of eligibility for a retirement allowance, a member shall be granted an annuity which shall be the sum of either Plan A or Plan B, whichever provides the larger annuity.

Plan A shall be computed as follows:

(a) The actuarial equivalent of the contributions and deposits of the member in his individual account up to the time of his retirement, with regular interest.

(b) The actuarial equivalent of the contributions of the employer up to the time of the member's retirement, which shall equal the sum in subsection (a) of this section minus deposits with regular interest on such deposits.

(c) Where prior service credit has been granted, an allowance of one and one-half per cent of the member’s average final salary multiplied by the number of years of prior service credited to him.

(d) The actuarial equivalent of the amounts that would have accumulated under subsections (a) and (b)
of this section, if the member had contributed to his in-
dividual account until he was fifty years old, at the an-
nual rate of his past actual contributions, but this sub-
section shall apply only as additional income to members
who qualify for disability retirement before they are
fifty years old.

(e) Twelve dollars multiplied by his total service
credit as a teacher.

(f) The member shall receive in addition to the allow-
ances under subsections (c) and (d) an amount equal to
six dollars multiplied by his total service credit: Pro-
vided, That the maximum allowance under this subsec-
tion shall be one hundred and ninety-two dollars: Pro-
vided, however, That this subsection shall be effective on
and after July first, one thousand nine hundred fifty
seven.

(g) Twelve dollars multiplied by the member's total
service credit as a teacher.

For the purposes of subsection (c) in Plan A:

(1) An allowance for prior service shall in no case
exceed three-fifths of the member's average final salary.
(2) Average final salary for this purpose shall in no case exceed two thousand five hundred dollars, nor shall it be less than twelve hundred dollars.

Plan B shall be computed as follows:

(a) One per cent of the member's average salary multiplied by his total service credit as a teacher. In this paragraph "average salary" shall mean the average of the highest annual salaries received by the member during any period of five consecutive years contained within his last ten years of total service credit: Provided further, That the highest annual salary used in this calculation shall be seven thousand five hundred dollars: And provided further, That the highest annual salary used in this calculation for members employed by the board of governors of West Virginia University, or by the West Virginia board of education at institutions of higher education under its control, shall be four thousand eight hundred dollars.

(b) The actuarial equivalent of the deposits of the member in his individual account up to the time of his retirement, with regular interest.
The disability annuities of all teachers retired for disability shall be based upon a disability table prepared by a competent actuary approved by the retirement board. Upon the death of an annuitant who qualified for an annuity as a surviving spouse or because of permanent disability, the estate of the deceased or beneficiary designated for such purpose, shall be paid the difference, if any, between the member's contributions with regular interest thereon, and the sum of the annuity payments. All annuities shall be paid in twelve monthly payments. In computing such monthly payments, fractions of a cent shall be deemed a cent. Such monthly payments shall cease with the payment for the month within which the beneficiary dies, and shall begin with the payment for the month succeeding the month within which the annuitant became eligible under this article for the annuity granted; in no case, however, shall an annuitant receive more than four monthly payments which are retroactive after the board receives his application for annuity.

In case the retirement board receives data affecting the
approved annuity of a retired teacher, the annuity shall
be changed in accordance with such data, the change
being effective with the payment for the month within
which the board received the new data.

An annuity application shall be cancelled immediately
if the applicant dies before the retirement board approves
such application.

Any person who has attained the age of sixty-five and
who has served at least twenty-five years as a teacher
prior to July one, one thousand nine hundred forty-one,
shall be eligible for prior service credit and for prior
service pensions as prescribed in this section.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

Takes effect July 1, 1963 passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the 11th day of March, 1963.

Governor