

WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1965

ENROLLED

SENATE BILL NO. 65

(By Mr. Cason, Mr. President and
Mr. McComb)

PASSED March 13, 1965

In Effect Thirty days from Passage



FILED IN THE OFFICE OF
JOE F. BURDETT
SECRETARY OF STATE
THIS DATE 3-19-65

#65

ENROLLED

Senate Bill No. 65

(By MR. CARSON, MR. PRESIDENT, and MR. McCOURT)

[Passed March 13, 1965; in effect ninety days from passage.]

AN ACT to amend chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new article, designated article twelve, relating to reciprocal service credit between the West Virginia public employees' retirement system and the state teachers' retirement system.

Be it enacted by the Legislature of West Virginia:

That chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new article, designated article twelve, to read as follows:

Article 12. Reciprocal Service Credit Act.

Section 1. Short Title.—The short title by which this
2 article may be referred to is “Public Employees’ and
3 Teachers’ Reciprocal Service Credit Act”.

Sec. 2. Definitions.—The following words and phrases
2 as used in this article, unless a different meaning is clearly
3 indicated by the context, shall have the following mean-
4 ings:

5 (a) “State system” means the West Virginia public
6 employees’ retirement system and the state teachers’ re-
7 tirement system.

8 (b) “Public system” means the West Virginia public
9 employees’ retirement system.

10 (c) “Teacher system” means the state teachers’ retire-
11 ment system.

12 (d) “Member” means a member of either the West
13 Virginia public employees’ retirement system or the state
14 teachers’ retirement system. The term “member” shall
15 not include any person who has retired under either state
16 system.

17 (e) “Accumulated contributions” means the sum of the

18 amounts deducted from the compensations of a member
19 and credited to his individual account in a state system,
20 together with interest, if any, credited thereto.

21 (f) "Public final average salary" means a member's
22 final average salary computed according to the law gov-
23 erning the public system. In computing his public final
24 average salary, the compensations, if any, received by him
25 for services rendered in positions covered by the teacher
26 system shall be used in the same manner as if the com-
27 pensations were received for services covered by the pub-
28 lic system.

29 (g) "Teacher average salary" means a member's av-
30 erage salary computed according to the law governing
31 the teacher system. In computing his teacher average
32 salary, the compensations, if any, received by him for
33 services rendered in positions covered by the public sys-
34 tem shall be used in the same manner as if the compensa-
35 tions were received for services covered by the teacher
36 system.

37 (h) "Reciprocal service credit" for a member of the
38 public system who subsequently becomes a member of the

39 teacher system, or vice versa, means the sum of his
40 credited service in force acquired as a member of the
41 public system and his credit service in force acquired as a
42 member of the teacher system.

43 (i) "Annuity" means the annuity payable by a state
44 system.

45 (j) The masculine gender includes the feminine, and
46 words of the singular number with respect to persons in-
47 clude the plural number, and vice versa.

Sec. 3. (a) Credited Service—Public Service to Teacher
2 **Service.**—Notwithstanding the provisions of law govern-
3 ing the West Virginia public employees' retirement sys-
4 tem, in the event a member leaves a position covered by
5 the public system and becomes employed in a position
6 covered by the teacher system, he shall not forfeit his
7 credited service acquired as a member of the public sys-
8 tem: *Provided*, That he returns to the public system the
9 amount of accumulated contributions he might have with-
10 drawn therefrom, together with interest prescribed by
11 the said public system: *Provided, however*, That he has
12 not retired under either the public system or the teacher

13 system: *Provided further*, That after the effective date of
14 this article such subsequent employment in a position
15 covered by the teacher system must occur within a pe-
16 riod of five years from and after the date on which such
17 person left a position covered by the public system. Such re-
18 turn of accumulated contributions shall be made in accord-
19 ance with such rules and regulations as the board of trus-
20 tees of the public system shall from time to time adopt.

21 **(b) Credited Service-Teacher Service to Public Serv-**
22 **ice.**—Notwithstanding the provisions of law governing
23 the state teachers' retirement system, in the event a mem-
24 ber leaves a position covered by the teacher system and
25 becomes employed in a position covered by the public
26 system, he shall not forfeit his credited service acquired
27 as a member of the teacher system: *Provided*, That he
28 returns to the teacher system the amount of accumulated
29 contributions he might have withdrawn therefrom, to-
30 gether with interest prescribed by the said teacher sys-
31 tem: *Provided, however*, That he has not retired under
32 either the public system or the teacher system: *Provided*
33 *further*, That after the effective date of this article such

34 subsequent employment in a position covered by the pub-
35 lic system must occur within a period of five years from
36 and after the date on which such person left a position
37 covered by the teacher system. Such return of accumu-
38 lated contributions shall be made in accordance with such
39 rules and regulations as the retirement board of the
40 teacher system shall from time to time adopt.

Sec. 4. Reciprocal Service.—In the event a member
2 leaves a position covered by the public system and within
3 five years thereafter becomes employed in a position cov-
4 ered by the teacher system, or a member leaves a position
5 covered by the teacher system and within five years there-
6 after becomes employed in a position covered by the
7 public system, in either case, the following provisions
8 shall apply, together with such rules and regulations as
9 the board of trustees of the public system and the retire-
10 ment board of the teacher system shall from time to time
11 mutually agree upon.

12 (a) A member's reciprocal service credit in force shall
13 be used to satisfy the service requirements for retirement
14 under the state system from which he retires.

15 (b) If a member, who has reciprocal service credit in
16 force, retires under the public system, he shall receive an
17 annuity payable by the public system and an annuity pay-
18 able by the teacher system. His public system annuity
19 shall be based upon (1) the portion of his reciprocal serv-
20 ice credit acquired as a member of the public system, and
21 (2) his public final average salary. His teacher system
22 annuity shall be based upon (1) the portion of his recipro-
23 cal service credit acquired as a member of the teacher
24 system, and (2) his teachers' retirement allowance as pro-
25 vided by the teachers' retirement act. His teacher system
26 annuity shall begin as of the date he retires under the
27 public system, but in no case prior to the date he would
28 have been eligible to retire under the teacher system if
29 all his reciprocal service credit had been acquired as a
30 member of the teacher system. Any annuities payable
31 under this subsection shall be subject to subsection (d) of
32 this section, and to section six.

33 (c) If a member, who has reciprocal service credit in
34 force, retires under the teacher system, he shall receive
35 an annuity payable by the teacher system and an annuity

36 payable by the public system. His teacher system annuity
37 shall be based upon (1) the portion of his reciprocal serv-
38 ice credit acquired as a member of the teacher system, and
39 (2) his teachers' retirement allowance as provided by the
40 teachers' retirement act. His public system annuity shall
41 be based upon (1) the portion of his reciprocal service
42 credit acquired as a member of the public system, and (2)
43 his public final average salary. His public system annuity
44 shall begin as of the date he retired under the teacher
45 system, but in no case prior to the date he would have
46 been eligible to retire under the public system if all his
47 reciprocal service credit had been acquired as a member
48 of the public system. Any annuities payable under this
49 subsection shall be subject to subsection (d) of this sec-
50 tion, and to section six.

51 (d) (1) In the event a member, who has reciprocal
52 service credit in force, retires under the public system,
53 his public system annuity, computed as a straight life
54 annuity, shall not exceed the difference between (i) the
55 public system straight life annuity to which he would
56 have been entitled under the law governing the public

57 system at the time of his retirement if all his reciprocal
58 service credit had been acquired as a member of the public
59 system, and (ii) his annuity, computed as a straight life
60 annuity, payable by the teacher system: *Provided, That*
61 any annuity or portion of an annuity payable by teacher
62 system resulting from voluntary deposits and/or contribu-
63 tions by members to teacher system shall not be consid-
64 ered in any way in reducing an annuity herein provided
65 for.

66 (2) In the event a member, who has reciprocal service
67 credit in force, retires under the teacher system, his
68 teacher system annuity, computed as a straight life an-
69 nuity, shall not exceed the difference between (i) the
70 teacher system straight life annuity to which he would
71 have been entitled under the law governing the teacher
72 system at the time of his retirement if all his reciprocal
73 service credit had been acquired as a member of the
74 teacher system, and (ii) his annuity, computed as a
75 straight life annuity, payable by the public system: *Pro-*
76 *vided, That* any annuity or portion of an annuity payable
77 by public system resulting from voluntary deposits and/or

78 contributions by members to public system shall not
79 be considered in any way in reducing an annuity herein
80 provided for.

Sec. 5. Prior Service Credit.—(a) In the event a mem-

2 ber of the public system has served in a position prior to
3 the date the teachers' system was created, which position
4 would be covered under the teachers' system as of the date
5 of retirement had the teachers' system been in existence
6 at said time, the board of trustees of the public system
7 may grant said member prior service credit for said time
8 worked under such rules and regulations as the public
9 board may from time to time adopt.

10 (b) In the event a member of the teacher system has
11 served in a position prior to the date the public system
12 was created, which position would be covered under the
13 public system as of the date of retirement had the public
14 system been in existence at said time, the Teachers' Re-
15 tirement Board of the teacher system may grant said
16 member prior service credit for said time worked under
17 such rules and regulations as the teacher board may from
18 time to time adopt.

Sec. 6. Disability Reciprocal Credit.—In the event a
2 member, who has reciprocal service credit in force, retires
3 under the public system on account of disability his an-
4 nuity to be paid by the teacher system shall be subject to
5 approval of his disability retirement by the retirement
6 board of the teacher system. In the event a member, who
7 has reciprocal service credit in force, retires under the
8 teacher system on account of disability his annuity to be
9 paid by the public system shall be subject to approval of
10 his disability retirement by the board of trustees of the
11 public system.

Sec. 7. Payment of Annuities.—The state system from
2 which a member, with reciprocal service credit in force,
3 retires shall be the disbursing agent for his annuities. In
4 cases where the public system is the disbursing agent, the
5 teacher system shall reimburse the public system for the
6 reciprocal annuities which are payable from funds of the
7 teacher system. In cases where the teacher system is the
8 disbursing agent, the public system shall reimburse the
9 teacher system for the reciprocal annuities which are pay-
10 able from funds of the public system. Such reimburse-

11 ments shall be made in such manner and with such fre-
12 quency and shall be accompanied by such supporting data,
13 as the board of trustees of the public system and the re-
14 tirement board of the teacher system shall from time to
15 time mutually agree upon.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Ray Parker
Chairman Senate Committee

James W. Loop
Chairman House Committee

Originated in the Senate.

Takes effect *Ninety days from* Passage.

Howard Meyer
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

Howard Wilson
President of the Senate

A. John White
Speaker House of Delegates

The within *approved* this the *19*
day of *March*, 1965.

Huelet C. Smith
Governor



Presented to the Governor's Office

March 18, 1965

2:40 P.M.