

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1967

ENROLLED

SENATE BILL NO. 37

(By Mr. Carson, Mr. President, and
Mr. McLout)

PASSED March 11, 1967

In Effect thirty days from Passage

FILED IN THE OFFICE
ROBERT D. BAILEY
SECRETARY OF STATE
THIS DATE 3-17-67

#37

ENROLLED
Senate Bill No. 37

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

[Passed March 11, 1967; in effect ninety days from passage.]

AN ACT to amend and reenact sections fourteen and twenty-six, article seven-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the amount of contribution to be made by members of the state teachers' retirement system, and increasing the amount of highest annual salary used in calculating retirement benefits for state teachers' retirement recipients.

Be it enacted by the Legislature of West Virginia:

That sections fourteen 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:

ARTICLE 7A. STATE TEACHERS' RETIREMENT SYSTEM.**§18-7A-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 earnable compensation to the retirement board: *Provided*, That in no case shall the contribution of any member exceed five hundred forty dollars in any fiscal year: *Provided, however*, That in no case shall the contribution of any member employed by the board of governors of West Virginia university, or by the West Virginia board of education at an institution of higher education under its control, exceed two hundred sixteen dollars in any fiscal year.

Such contributions shall be deemed to include the annual supplementary fee of the contributor, determined as hereinafter provided, which fee shall be used to help finance the additional retirement benefit provided for in subsection (e), section twenty-six of this article. Annually, the contributions of each member, minus his supplementary fee, shall be credited to his account in the teachers' accumulation fund. The contributions shall be

20 deducted from the salaries of the members as herein
21 prescribed, and every member shall be deemed to have
22 given his consent to such deductions. No deductions,
23 however, shall be made from the earnable compensation
24 of any teacher who retired because of age or service, and
25 then resumed service as a teacher.

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

36 The aggregate of employer contributions, due and pay-
37 able under this article, shall equal annually the total
38 deductions from the earnable compensation of members
39 required by this section. All employer contributions shall
40 be credited to the employers' accumulation fund, from

41 which fund an amount equalling annually the supple-
42 mentary fees of members shall be transferred to the
43 benefit fund.

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

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

§18-7A-26. Computation of annuities.

Annuitants whose annuities were approved by the re-
2 tirement board prior to the effective date of this act shall
3 be paid the annuities which were approved by the retire-
4 ment board. Annuities approved by the board after the

5 effective date of this act shall be computed as provided
6 herein.

7 Upon establishment of eligibility for a retirement al-
8 lowance, a member shall be granted an annuity which
9 shall be the sum of either Plan A or Plan B, whichever
10 provides the larger annuity.

11 Plan A shall be computed as follows:

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

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

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

23 (d) The actuarial equivalent of the amounts that
24 would have accumulated under subsections (a) and (b)
25 of this section, if the member had contributed to his in-

26 individual account until he was fifty years old, at the annual
27 rate of his past actual contributions, but this subsection
28 shall apply only as additional income to members who
29 qualify for disability retirement before they are fifty years
30 old.

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

33 (f) The member shall receive in addition to the allow-
34 ances under subsections (c) and (d) an amount equal to
35 six dollars multiplied by his total service credit: *Provided,*
36 That the maximum allowance under this subsection shall
37 be one hundred and ninety-two dollars: *Provided, how-*
38 *ever;* That this subsection shall be effective on and after
39 July first, one thousand nine hundred fifty-seven.

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

42 For the purpose of subsection (c) in Plan A:

43 (1) An allowance for prior service shall in no case
44 exceed three fifths of the member's average final salary.

45 (2) Average final salary for this purpose shall in no
46 case exceed two thousand five hundred dollars, nor shall
47 it be less than twelve hundred dollars.

48 Plan B shall be computed as follows:

49 (a) One per cent of the member's average salary multi-
50 plied by his total service credit as a teacher. In this para-
51 graph "average salary" shall mean the average of the
52 highest annual salaries received by the member during
53 any five years contained within his last fifteen years
54 of total service credit: *Provided further*, That the high-
55 est annual salary used in this calculation shall be
56 twelve thousand dollars: *And provided further*, That
57 the highest annual salary used in this calculation for
58 members employed by the board of governors of West
59 Virginia university, or by the West Virginia board of
60 education at institutions of higher education under its
61 control, shall be four thousand eight hundred dollars.

62 (b) The actuarial equivalent of the deposits of the
63 member in his individual account up to the time of his
64 retirement, with regular interest.

65 The disability annuities of all teachers retired for dis-
66 ability shall be based upon a disability table prepared by
67 a competent actuary approved by the retirement board.

68 Upon the death of an annuitant who qualified for an

69 annuity as a surviving spouse or because of permanent
70 disability, the estate of the deceased or beneficiary desig-
71 nated for such purpose, shall be paid the difference, if any,
72 between the member's contributions with regular interest
73 thereon, and the sum of the annuity payments.

74 All annuities shall be paid in twelve monthly payments.
75 In computing such monthly payments, fractions of a cent
76 shall be deemed a cent. Such monthly payments shall
77 cease with the payment for the month within which the
78 beneficiary dies, and shall begin with the payment for
79 the month succeeding the month within which the an-
80 nuitant became eligible under this article for the annuity
81 granted; in no case, however, shall an annuitant receive
82 more than four monthly payments which are retroactive
83 after the board receives his application for annuity.

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

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

92 Any person who has attained the age of sixty-five and
93 who has served at least twenty-five years as a teacher
94 prior to July one, one thousand nine hundred forty-one,
95 shall be eligible for prior service credit and for prior
96 service pensions as prescribed in this section.

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

William Tompax
Chairman Senate Committee

Clayton C. Davidson
Chairman House Committee

Originated in the Senate.

To take effect 90 days from passage.

William W. Meyer
Clerk of the Senate

W. B. Blackenship
Clerk of the House of Delegates

Howard W. Carson
President of the Senate

H. Laban White
Speaker House of Delegates

The within approved this the 17
day of March, 1967.

Hulene C. Smith
Governor



PRESENTED TO THE
GOVERNOR

Date 3/17/67

Time 9:30am