

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1969

ENROLLED

SENATE BILL NO. 286

(By Mr. McKown.....)

PASSED March 8,.....1969

In Effect July 1, 1969 ~~Passage~~

FILED IN THE OFFICE
JOHN D. ROCKEFELLER, IV
SECRETARY OF STATE
THIS DATE 3-17-69

286

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Senate Bill No. 286

(By MR. MCKOWN)

[Passed March 8, 1969; in effect July 1, 1969.]

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 contributions taken from members and computation of retirement allowance for certain annuitants.

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.

1 At the end of each month every member of the retire-
2 ment system shall contribute four and one-half percent

3 of his monthly earnable compensation to the retirement
4 board: *Provided*, That in no case shall the contribution of
5 any member employed by the board of governors of West
6 Virginia University, or by the West Virginia board of
7 education at an institution of higher education under its
8 control, exceed two hundred sixteen dollars in any fiscal
9 year.

10 Such contributions shall be deemed to include the an-
11 nual supplementary fee of the contributor, determined as
12 hereinafter provided, which fee shall be used to help
13 finance the additional retirement benefit provided for
14 in subdivision (e) of Plan A of section twenty-six of this
15 article. Annually, the contributions of each member,
16 minus his supplementary fee, shall be credited to his ac-
17 count in the teachers accumulation fund. The contribu-
18 tions shall be deducted from the salaries of the members
19 as herein prescribed, and every member shall be deemed
20 have given his consent to such deductions. No deductions,
21 however, shall be made from the earnable compensation
22 of any teacher who retired because of age or service, and
23 then resumed service as a teacher.

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

34 The aggregate of employer contributions, due and pay-
35 able under this article, shall equal annually the total
36 deductions from the earnable compensation of members
37 required by this section. All employer contributions shall
38 be credited to the employers accumulation fund, from
39 which fund an amount equalling annually the supple-
40 mentary fees of members shall be transferred to the
41 benefit fund.

42 Payment by an employer to a member of the sum
43 specified in the employment contract minus the amount
44 of the employee's deductions shall be deemed to be a full

45 discharge of the employer's contractual obligation as to
46 earnable compensation.

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

§18-7A-26. Computation of annuities.

1 Annuitants whose annuities were approved by the re-
2 tirement board prior to the effective date of this article
3 (July 1, 1963) shall be paid the annuities which were
4 approved by the retirement board. Annuities approved
5 by the board after the effective date of this article shall
6 be computed as provided 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
14 the 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 subdivision (a) of Plan A
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 percent of the member's
21 average final salary multiplied by the number of years
22 of prior service credited to him.

23 (d) The actuarial equivalent of the amounts that
24 would have accumulated under subdivisions (a) and
25 (b) of Plan A, if the member had contributed to his
26 individual account until he was fifty years old, at the
27 annual rate of his past actual contributions, but this
28 subdivision shall apply only as additional income to
29 members who qualify for disability retirement before
30 they are fifty years 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 al-
34 lowances under subdivisions (c) and (d) an amount
35 equal to six dollars multiplied by his total service credit:
36 *Provided, That the maximum allowance under this sub-*
37 *division shall be one hundred and ninety-two dollars:*
38 *Provided, however, That this subdivision shall be ef-*
39 *fective on and after July first, one thousand nine hun-*
40 *dred fifty-seven.*

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

43 For the purpose of subdivision (c) in Plan A:

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

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

49 Plan B shall be computed as follows:

50 (a) One percent of the member's average salary multi-
51 plied by his total service credit as a teacher. In this para-

52 graph "average salary" shall mean the average of the high-
53 est annual salaries received by the member during any five
54 years contained within his last fifteen years of total service
55 credit: *Provided*, That the highest annual salary used
56 in this calculation for members employed by the board
57 of governors of West Virginia University, or by the West
58 Virginia board of education at institutions of higher
59 education under ~~its~~ control, shall be four thousand eight
60 hundred dollars.

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

64 The disability annuities of all teachers retired for dis-
65 ability shall be based upon a disability table prepared
66 by a competent actuary approved by the retirement
67 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
72 any, between the member's contributions with regular

73 interest 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

76 cent shall be deemed a cent. Such monthly payments

77 shall cease with the payment for the month within which

78 the beneficiary dies, and shall begin with the payment

79 for the month succeeding the month within which the

80 annuitant became eligible under this article for the an-

81 nuity granted; in no case, however, shall an annuitant

82 receive more than four monthly payments which are

83 retroactive after the board receives his application for

84 annuity.

85 In case the retirement board receives data affecting the

86 approved annuity of a retired teacher, the annuity shall

87 be changed in accordance with such data, the change

88 being effective with the payment for the month within

89 which the board received the new data.

90 An annuity application shall be cancelled immediately

91 if the applicant dies before the retirement board approves

92 such application.

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

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

William Tempas
Chairman Senate Committee

Clayton C. Davidson
Chairman House Committee

Originated in the Senate.

To take effect July 1, 1969.

Thomas Myers
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

Leah G. Jackson
President of the Senate

Wor. F. Bowersky
Speaker House of Delegates

The within *approved* this the *17th*
day of *March*, 1969.

Arch. A. Shaare Jr.
Governor



PRESENTED TO THE
GOVERNOR

Date 3/14/69

Time 2:20 p.m.