



WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1972

ENROLLED

SENATE BILL NO. 303

(By Mr. Palumbo)

PASSED March 11th 1972

In Effect 90 Days From Passage



OFFICE OF
SECRETARY OF STATE
STATE OF WEST VIRGINIA

MAR 29 11 37 PM '72

FILED IN THE OFFICE
JOHN D. ROCKEFELLER, IV
SECRETARY OF STATE

THIS DATE 3-29-72

303

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Senate Bill No. 303

(By MR. PALUMBO)

[Passed March 11, 1972; in effect ninety days from passage.]

AN ACT to amend and reenact section twenty-six, article seven-a, chapter eighteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to computation of certain tax sheltered annuities under the state teachers retirement system.

Be it enacted by the Legislature of West Virginia:

That section 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-26. Computation of annuities.

1 Annuitants whose annuities were approved by the re-
2 tirement board effective before July first, one thousand
3 nine hundred seventy, shall be paid the annuities
4 which were approved by the retirement board, subject to
5 the supplemental benefits authorized in this article.

6 Annuities approved by the board effective after June
7 thirty, one thousand nine hundred seventy, shall be com-
8 puted as provided herein.

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

13 Plan A shall be computed as follows:

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

17 (b) The actuarial equivalent of the contributions of
18 the employer up to the time of the member's retirement,
19 which shall equal the sum in subdivision (a) of Plan A
20 minus deposits with regular interest on such deposits;

21 (c) Where prior service credit has been granted, an
22 allowance of one and one-half percent of the member's
23 average final salary multiplied by the number of years
24 of prior service credited to him;

25 (d) The actuarial equivalent of the amounts that would
26 have accumulated under subdivisions (a) and (b) of Plan
27 A, if the member had contributed to his individual ac-
28 count until he was fifty years old, at the annual rate of
29 his past actual contributions, but this subdivision shall
30 apply only as additional income to members who qualify
31 for disability retirement before they are fifty years old;

32 (e) Twelve dollars multiplied by his total service credit
33 as a teacher;

34 (f) The member shall receive in addition to the allow-
35 ances under subdivisions (c) and (d) an amount equal
36 to six dollars multiplied by his total service credit:
37 *Provided*, That the maximum allowance under this sub-
38 division shall be one hundred ninety-two dollars: *Pro-*
39 *vided, however*, That this subdivision shall be effective on
40 and after July first, one thousand nine hundred 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 ex-
45 ceed 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) Two percent of the member's average salary mul-
51 tiplied by his total service credit as a teacher. In this
52 paragraph "average salary" shall mean the average of the
53 highest annual salaries received by the member during
54 any five years contained within his last fifteen years of
55 total service credit: *Provided*, That the highest annual
56 salary used in this calculation for members employed by
57 the West Virginia board of regents at institutions of
58 higher education under its control, shall be four thousand
59 eight hundred dollars;

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

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

66 Upon the death of an annuitant who qualified for an
67 annuity as a surviving spouse or because of permanent
68 disability, the estate of the deceased or beneficiary desig-
69 nated for such purpose, shall be paid the difference, if
70 any, between the member's contributions with regular
71 interest thereon, and the sum of the annuity payments.

72 Upon the death of an annuitant or the beneficiary of an
73 annuitant who had purchased a tax sheltered annuity
74 through the teachers retirement system, the estate of the
75 deceased or beneficiary designated for such purpose, shall
76 be paid the difference, if any, between the member's total
77 tax sheltered annuity deposits and the sum of tax
78 sheltered annuity payments under the option chosen at
79 retirement.

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

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

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

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

Russell G. Beall
Chairman Senate Committee

Phyllis J. Rutledge
Chairman House Committee

Originated in the Senate.

To take effect ninety days from passage.

Harold W. Brown
Clerk of the Senate

W. A. Blankenship
Clerk of the House of Delegates

John B. Gentry
President of the Senate

Leah J. McMan
Speaker House of Delegates

The within *approved* this the *27th*
day of *March*, 1972.

Richard S. Roane, Jr.
Governor



PRESENTED TO THE
GOVERNOR

Date 3/17/72

Time 12:30 p.m.