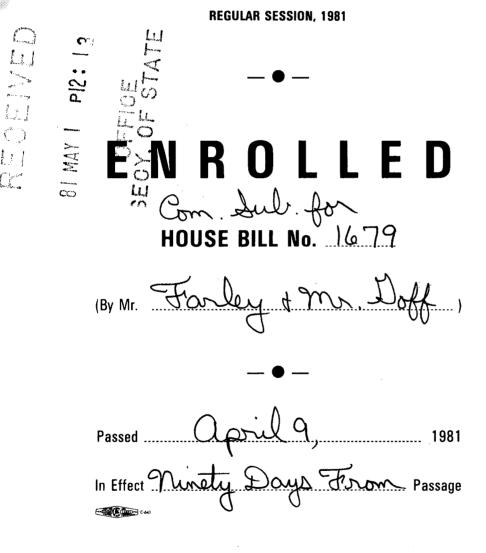
APPROVED AND SIGNED BY THE GOVERNOR

Date 4-29-81

Time

WEST VIRGINIA LEGISLATURE



ENROLLED

COMMITTEE SUBSTITUTE

FOR

H. B. 1679

(By MR. FARLEY and MR. GOFF)

[Passed April 9, 1981; in effect ninety days from passage.]

AN ACT to repeal section twenty, article twenty-two, chapter eight of the code of West Virginia, one thousand nine hundred thirtyone, as amended, relating to arrest fees collected for municipal policemen's pension and relief funds and to enact in lieu thereof a new section twenty of said article, relating to minimum standards for actuarial soundness; to amend and reenact sections sixteen, seventeen, nineteen, twenty-one, twenty-two, twenty-four, twenty-five, twenty-six, twenty-seven and twenty-eight of said article; to further amend said article by adding thereto two new sections, designated sections nineteen-a and twenty-three-a, to amend and reenact section eleven, article fourteen of said chapter eight; to amend and reenact section sixteen, article fifteen of said chapter eight, to further amend said article fifteen by adding thereto two new sections, designated sections eight-a and eight-b; to amend and reenact section two, article six, chapter twelve of said code; to amend article three, chapter thirty-three of said code by adding thereto a new section, designated section fourteen-d, and to amend article twelve, chapter thirtythree of said code by adding thereto a new section, designated section sixteen-a, all relating to policemen's and firemen's pension and relief funds; requiring all applicants for positions in a

paid police department or a paid fire department to meet certain medical requirements; providing eligibility requirements for volunteer fire departments to receive funds from the municipal pensions and protection fund and priorities for their spending of such funds; defining certain terms; declaring the board of trustees of policemen's and firemen's pension and relief funds as fiduciaries of such funds; providing a new method of funding policemen's and firemen's pension and relief funds to begin at a designated time including an allocable portion of the municipal pensions and protection fund and increased contributions by members; requiring repayment to the respective funds by a member wishing to rejoin; providing minimum standards for actuarial soundness; requiring the treasurer of the funds to keep necessary data and to act as a fiduciary for the funds; allowing the funds to be invested in the state consolidated fund or the consolidated pension fund; setting eligibility standards for total and temporary, and total and permanent, disability pensions; providing the amount of such disability pensions; making certain adjustments to computing retirement pensions and death benefits; limiting credit for absence from service and military service; levying additional fire and casualty insurance premium taxes for the municipal pensions and protection fund and providing a method of allocating moneys in such fund.

Be it enacted by the Legislature of West Virginia:

That section twenty, article twenty-two, chapter eight of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be repealed and that a new section twenty of said article be enacted in lieu thereof, that sections sixteen, seventeen, nineteen, twenty-one, twenty-two, twenty-four, twenty-five, twenty-six, twenty-seven and twenty-eight of said article be amended and reenacted; that said article be further amended by adding thereto two new sections, designated sections nineteen-a and twenty-three-a; that section eleven, article fourteen of said chapter eight be amended and reenacted; that section sixteen, article fifteen of said chapter eight be amended and reenacted; that said article fifteen be further amended by adding thereto two new sections, designated sections eight-a and eight-b; that section two, article six, chapter twelve of said code be amended and reenacted; that article three, chapter thirty-three of said code be amended by adding thereto a new section, designated section fourteen-d, and that article twelve, chapter thirty-three of said code be amended by adding thereto a new section, designated section sixteen-a, all to read as follows:

CHAPTER 8. MUNICIPAL LAW, MUNICIPALITIES AND COUNTIES; INTERGOVERNMENTAL RELATIONS.

ARTICLE 14. LAW AND ORDER; POLICE FORCE OR DEPART-MENTS; POWERS, AUTHORITY AND DUTIES OF LAW-ENFORCEMENT OFFICIALS AND POLICEMEN; POLICE MATRONS; SPECIAL SCHOOL ZONE AND PARKING LOT OR PARKING BUILDING POLICE OF-FICERS; CIVIL SERVICE FOR CERTAIN POLICE DE-PARTMENTS.

§8-14-11. Rules and regulations for all examinations; probationary appointments.

1 The policemen's civil service commission in each Class I 2 and Class II city shall make rules and regulations providing for both competitive and medical examinations for appoint-3 ments and promotions to all positions in the paid police de-4 5 partment in such city, and for such other matters as are nec-6 essary to carry out the purposes of the civil service provisions of this article. Any such commission shall have the power and 7 authority to require by rules and regulations a physical fitness 8 9 examination as a part of its competitive examination or as a part of its medical examination: Provided, That after the 10 thirtieth day of June, one thousand nine hundred eighty-one, 11 12 the medical requirements for appointment to all positions in the paid police department in such city shall include, but not 13 14 be limited to, the medical requirements stated in section six-15 teen, article twenty-two of this chapter. Due notice of the 16 contents of all such rules and regulations and of any modifi-17 cations thereof shall be given, by mail, in due season, to the appointing officer; and said rules and regulations and any 18 19 modifications thereof shall also be printed for public distri-20 bution. All original appointments to any positions in a paid 21 police department subject to the civil service provisions of this article shall be for a probationary period of one year: Pro-22 vided, That at any time during the probationary period the 23 24 probationer may be discharged for just cause, in the manner 25 provided in section twenty of this article. If, at the close of this

26 probationary term, the conduct or capacity of the probationer has not been satisfactory to the appointing officer, the probationer shall be notified, in writing, that he will not receive absolute appointment, whereupon his employment shall cease; 30 otherwise, his retention in the service shall be equivalent to his 31 final appointment.

ARTICLE 15. FIRE FIGHTING; FIRE COMPANIES AND DEPART-MENT; CIVIL SERVICE FOR PAID FIRE DEPART-MENTS.

§8-15-8a. Eligibility for allocation from municipal pensions and protection fund.

1 In order to be eligible to receive revenues allocated from 2 the municipal pensions and protection fund, each volunteer or 3 part volunteer fire company or department must meet the re-4 quirements listed in subsections (a) through (c) of this section. 5 Each volunteer or part volunteer fire company or depart-6 ment must:

7 (a) Submit and maintain current submission of fire loss
8 data to the state fire marshal, including verification via notary
9 public, if no fire loss has occurred;

(b) Complete or be in the process of receiving firefighters 10 11 training, including section one of the West Virginia University 12 fire service extension or its equivalent. Such fire company or 13 department must have at least ten members certified having 14 completed such training or if a volunteer fire company or department has twenty or fewer members, fifty percent of the 15 16 active volunteer members must have completed such training; 17 and

18 (c) Comply with all applicable federal and state laws.

§8-15-8b. Priorities for expenditures of revenues from the municipal pensions and protection fund.

Revenues allocated to volunteer and part volunteer fire com panies and departments may be expended only for the priority
 items listed in subsections (a) through (d) of this section. Such
 expenditures may be made for the following:

5 (a) Personal protective equipment, including protective

6 head gear, bunker coats, pants, boots, combination of bunker7 pants and boots, coats and gloves;

8 (b) Equipment for compliance with the national fire pro-9 tection standard or automotive fire apparatus, NFPA-1901;

10 (c) Compliance with insurance service office recommenda-11 tions relating to fire departments; and

12 (d) Rescue equipment, communications equipment and am-13 bulance equipment: *Provided*, That no moneys received from 14 the municipal pensions and protection fund may be used for 15 capital improvements, retirement of debts or equipment for 16 personal vehicles owned or operated by volunteer fire com-17 pany or department members.

§8-15-16. Rules and regulations for all examinations; probationary appointments.

1 The firemen's civil service commission in each municipality 2 shall make rules and regulations providing for both competitive 3 and medical examinations for appointments and promotions to 4 all positions in the paid fire department in such municipality, 5 and for such other matters as are necessary to carry out the 6 purposes of the civil service provisions of this article. Any 7 such commission shall have the power and authority to require by rules and regulations a physical fitness examination as a 8 9 part of its competitive examination or as a part of its medical 10 examination: Provided. That after the thirtieth day of June. one thousand nine hundred eighty-one, the medical require-11 12 ments for appointment to all positions in the paid fire depart-13 ment in such municipality shall include, but not be limited to, 14 the medical requirements stated in section sixteen, article 15 twenty-two of this chapter. Due notice of the contents of such 16 rules and regulations and of any modifications thereof shall be given, by mail, in due season, to the appointing officer; and 17 18 said rules and regulations and any modifications thereof shall 19 also be printed for public distribution. All original appoint-20 ments to any positions in a paid fire department subject to the 21 civil service provisions of this article shall be for a probationary period of six months: Provided, That at any time during the 22 probationary period the probationer may be discharged for 23 24 just cause, in the manner provided in section twenty-five of

this article. If, at the close of this probationary term, the conduct or capacity of the probationer has not been satisfactory to the appointing officer, the probationer shall be notified, in writing, that he will not receive absolute appointment, whereupon his employment shall cease; otherwise, his retention in the service shall be equivalent to his final appointment.

ARTICLE 22. RETIREMENT BENEFITS GENERALLY; POLICEMEN'S PENSION AND RELIEF FUND; FIREMEN'S PENSION AND RELIEF FUND; PENSION PLANS FOR EM-PLOYEES OF WATERWORKS SYSTEM, SEWERAGE

> SYSTEM OR COMBINED WATERWORKS AND SEW-ERAGE SYSTEM.

PART III. POLICEMEN'S PENSION AND RELIEF FUND; FIREMEN'S PENSION AND RELIEF FUND.

§8-22-16. Pension and relief funds for policemen and firemen; creation of boards of trustees; definitions; continuance of funds.

1 In every Class I and Class II city having, or which may 2 hereafter have, a paid police department and a paid fire de-3 partment, or either of such departments, the governing body shall, and in every Class III city and Class IV town or 4 village having, or which may hereafter have, a paid police 5 6 department and a paid fire department, or either of such de-7 partments, the governing body may, by ordinance provide for the establishment and maintenance of a policemen's pension 8 9 and relief fund, and for a firemen's pension and relief fund, 10 for the purposes hereinafter enumerated, and, thereupon, there 11 shall be created boards of trustees which shall administer and 12 distribute the moneys authorized to be raised by this section 13 and the following sections of this article. For the purposes of 14 this section and sections seventeen through twenty-eight of this article, the term "paid police department" or "paid fire 15 department" means only a municipal police department or 16 17 municipal fire department, as the case may be, maintained and 18 paid for out of public funds and whose employees are paid on a full-time basis out of public funds. The term shall not be 19 taken to mean any such department whose employees are paid 20 21 nominal salaries or wages or are only paid for services actually 22 rendered on an hourly basis.

23 Unless and until other provision is made by subsequent 24 legislative action, any policemen's pension and relief fund and 25 any firemen's pension and relief fund established in accordance 26 with the provisions of former article six of this chapter or this 27 article twenty-two shall be or remain mandatory and shall be 28 governed by the provisions of sections sixteen through twenty-29 eight of this article twenty-two (with like effect, in the case of 30 a Class III city or Class IV town or village, as if such Class 31 III city or Class IV town or village were a Class I or Class II 32 city), and shall not be affected by the transition from one 33 class of municipal corporation to a lower class as specified in 34 section three, article one of this chapter: Provided, That any 35 Class III or Class IV town or village that hereafter becomes a 36 Class I or Class II city shall not be required to establish such 37 pension and relief fund if said town or village is a participant 38 in an existing pension plan regarding paid firemen and/or 39 policemen.

40 After the thirtieth day of June, one thousand nine hundred 41 eighty-one, for the purposes of sections sixteen through 42 twenty-eight of this article the word "member" means any paid 43 police officer or firefighter who at time of appointment to such 44 paid police or fire department met the medical requirements 45 of chapter 2-2 of the National Fire Protection Association Standards Number 1001-Firefighters Professional Qualifi-46 47 cations '74 as updated from year to year: *Provided*, That any 48 police officer or firefighter who was a member of such fund prior to the first day of July, one thousand nine hundred 49 50 eighty-one, shall be considered a member after June thirtieth, 51 one thousand nine hundred eighty-one.

52 For purposes of sections sixteen through twenty-eight of this 53 article the words "salary or compensation" means remuner-54 ation actually received by a member: Provided, That the 55 remuneration received by such member during any twelve-56 consecutive month period utilized in determining benefits 57 which is in excess of an amount which is twenty percent great-58 er than the "average adjusted salary" received by such mem-59 ber in the two consecutive twelve-consecutive-month periods 60 immediately preceding such twelve-consecutive-month period 61 utilized in determining benefits shall be disregarded: Provided,

however, That the "average adjusted salary" means the arith-62 metic average of each year's adjusted salary such adjustment 63 made to reflect current salary rate and such average adjusted 64 salary shall be determined as follows: Assuming "year-one" 65 means the second twelve-consecutive-month period preceding 66 such twelve-consecutive-month period utilized in determining 67 benefits, "year-two" means the twelve-consecutive-month per-68 iod immediately preceding such twelve-consecutive-month per-69 iod utilized in determining benefits, and "year-three" means 70 71 the twelve-consecutive-month period utilized in determining benefits, year-one total remuneration shall be multiplied by 72 73 the ratio of year-three base salary, exclusive of all overtime 74 and other remuneration, to year-one base salary, exclusive of all overtime and other remuneration, such product shall equal 75 "year-one adjusted salary"; year-two total remuneration shall 76 77 be multiplied by the ratio of year-three base salary, exclusive of all overtime and other remuneration, to year-two base salary, 78 79 exclusive of all overtime and other remuneration, such product shall equal "year-two adjusted salary"; and the arithme-80 81 tic average of year-one adjusted salary and year-two adjusted 82 salary shall equal the average adjusted salary.

§8-22-17. Powers and duties of boards of trustees.

1 Such board of trustees, or boards of trustees, shall be public 2 corporations by the name and style of "The Board of Trustees of the Policemen's Pension and Relief Fund of (name of 3 municipality)," or "The Board of Trustees of the Firemen's 4 5 Pension and Relief Fund of (name of municipality)," as the 6 case may be, by which names they may sue and be sued, plead 7 and be impleaded, contract and be contracted with, take and 8 hold real and personal property for the use of said policemen's 9 pension and relief fund or said firemen's pension and relief fund and have and use a common seal. In the absence of such 10 11 a seal, the seal of the president of any such corporation shall be 12 equivalent to such common seal. Any such board of trustees 13 may also in its corporate name do and perform any and all 14 other acts and business pertaining to the trust created hereby or by any conveyance, devise or dedication made for the 15 uses and purposes of said board. 16

17 After the thirtieth day of June, one thousand nine hundred

eighty-one, any such board of trustees, boards of trustees and any members thereof shall, as fund fiduciaries, discharge their duties with respect to such pension and relief funds solely in the interest of the members and members' beneficiaries for the exclusive purpose of providing benefits to members and their beneficiaries and defraying reasonable expenses of administering the fund.

§8-22-19. Levy to maintain fund; gifts, etc.; assessments on members of departments; return of assessments.

(a) The provisions of this subsection shall remain in effect
 through the thirtieth day of June, one thousand nine hundred
 eighty-three.

4 In every municipality in which there is a policemen's pension 5 and relief fund or a firemen's pension and relief fund, or both, 6 the same shall be maintained as follows: The governing body 7 of the municipality shall levy annually and in the manner pro-8 vided by law for other municipal levies, and include within the 9 maximum levy or levies permitted by law, and if necessary in 10 excess of any charter provision, a tax at such rate as will, after crediting (a) the amount of the contributions received during 11 12 such year from the members of the respective paid police de-13 partment or paid fire department, provide funds equal to the 14 sum of (1) the full amount of estimated expenditures of the 15 boards of trustees of the respective funds, and (2) an additional 16 amount equal to ten percent of such estimated expenditures, 17 said ten percent amount to be taken, accumulated and invested, 18 if possible, as surplus reserve: *Provided*, That in no event shall 19 such levy for each of the respective boards of trustees be less 20 than one cent or more than eight cents on each one hundred 21 dollars of all real and personal property as listed for taxation 22 in such municipality: Provided, however, That in the event that 23 the funds derived above are not sufficient to meet the annual 24 expenditures and the surplus reserve funds for any fiscal year 25 do not contain a sufficient balance to maintain full retirement benefits for that fiscal year, the municipality shall for only 26 27 that fiscal year levy an amount not to exceed an additional two cents on each one hundred dollars of all real and personal 28 29 property listed for taxation in such municipality: Provided 30 further, That in the event that a municipality is required to

31 levy an amount for any fiscal year in excess of eight cents on 32 each one hundred dollars of all real and personal property as 33 provided above, the municipality shall assess and collect for 34 only that fiscal year from each member an additional amount 35 of one percent of the actual salary or compensation for each 36 one cent that the municipality has levied in excess of the eight 37 cents which shall become a required part of the pension and 38 relief fund to which the member belongs.

The levies authorized under the provisions of this section, or any part of them, may by the governing body be laid in addition to all other municipal levies, and to that extent, beyond the limit of levy imposed by the charter of such municipality; and such levies shall supersede and if necessary exclude levies for other purposes if such priority or exclusion is necessary under limitations upon taxes or tax levies imposed by law.

Such public corporations are authorized to take by gift,
grant, devise or bequest, any money or real or personal property, upon such terms as to the investment and expenditures
thereof as may be fixed by the grantor or determined by said
trustees.

51 In addition to all other sums provided for pensions in this 52 section, it shall be the duty of every municipality in which any 53 such fund or funds have been or shall be established to assess 54 and collect from each member of the paid police department or paid fire department or both each month, the sum of six 55 56 percent of the actual salary or compensation of such member; 57 and the amount so collected shall become a regular part of the 58 policemen's pension and relief fund, if collected from a police-59 man, and of the firemen's pension and relief fund, if collected 60 from a fireman.

61 (b) After the thirtieth day of June, one thousand nine hun-62 dred eighty-three: In order for a municipal policemen's or fire-63 men's pension and relief fund to receive the allocable portion 64 of moneys from the municipal pensions and protection fund 65 established in section fourteen-d, article three, chapter thirtythree of this code, the governing body of the municipality shall 66 67 levy annually and in the manner provided by law for other 68 municipal levies, and include within the maximum levy or 69 levies permitted by law, and if necessary in excess of any chart-70 er provision, a tax at such rate as will, after crediting (a) the 71 amount of the contributions received during such year from 72 the members of the respective paid police department or paid 73 fire department and (b) the allocable portion of the municipal 74 pensions and protection fund established in section fourteen-d, 75 article three, chapter thirty-three of this code provide funds 76 equal to the amount necessary to meet the minimum stand-77 ards for actuarial soundness as provided in section twenty of 78 this article, said amount to be irrevocably contributed, accu-79 mulated and invested as fund assets described in sections twenty-one and twenty-two of this article. Such municipality 80 81 contributions shall be deposited as such fund assets on at least 82 a quarterly basis and any revenues received from any source by 83 a municipality which are specifically collected for the purpose 84 of allocation for deposit into such fund shall be so deposited 85 within thirty days of receipt by the municipality. Such hereto-86 fore surplus reserves accumulated before the first day of July, 87 one thousand nine hundred eighty-three, shall be irrevocably 88 contributed, aggregated and invested as fund assets described 89 in sections twenty-one and twenty-two of this article. Any ac-90 tuarial deficiency arising under this section and section twenty 91 of this article shall not be the obligation of the state of West 92 Virginia.

93 The levies authorized under the provisions of this section, 94 or any part of them, may by the governing body be laid in addi-95 tion to all other municipal levies, and to that extent, beyond the 96 limit of levy imposed by the charter of such municipality; and 97 such levies shall supersede and if necessary exclude levies for 98 other purposes, where such other purposes have not already 99 attained priority, and within the limitations upon taxes or tax 100 levies imposed by the constitution and laws.

101 Such public corporations are authorized to take by gift, 102 grant, devise or bequest any money or real or personal prop-103 erty, upon such terms as to the investment and expenditures 104 thereof as may be fixed by the grantor or determined by said 105 trustees.

106 In addition to all other sums provided for pensions in this 107 section, it shall be the duty of every municipality in which any

108 such fund or funds have been or shall be established to as-109 sess and collect from each member of the paid police depart-110 ment or paid fire department or both each month, the sum of 111 seven percent of the actual salary or compensation of such 112 member; and the amount so collected shall become a regular 113 part of the policemen's pension and relief fund, if collected 114 from a policeman, and of the firemen's pension and relief fund. 115 if collected from a fireman. Such member contributions shall 116 be deposited in such pension and relief fund on at least a 117 monthly basis.

118 For the fiscal year beginning on the first day of July, one 119 thousand nine hundred eighty-three and for each fiscal year 120 thereafter, the state treasurer shall retain the allocable portion 121 of the municipal pensions and protection fund, established in 122 section fourteen-d, article three, chapter thirty-three of this 123 code, until such time as the treasurer of the municipality ap-124 plies for such allocable portion and certifies in writing to the 125 state auditor that:

(a) The municipality has irrevocably contributed the amount
required under this section and section twenty of this article
to such pension and relief fund for the fiscal year; and

(b) The board of trustees of such pension and relief fundhas made a report to the governing body of the municipalityon the condition of its fund with respect to the fiscal year.

When the aforementioned application and certification are
made the allocable portion of moneys from the municipal pensions and protection fund shall be paid to the corresponding
policemen's or firemen's pension and relief fund.

136 The state auditor has the power and duty as he deems neces-137 sary to perform or review audits on such pension and relief 138 funds or to employ an independent consulting actuary or ac-139 countant to determine the compliance of the aforementioned 140 certification with the requirements of this section and section 141 twenty of this article. The expense of such audit or determina-142 tion shall be paid from the portion of the municipal pensions 143 and protection fund allocable to municipal policemen's and 144 firemen's pension and relief funds. If such allocable portion of 145 the municipal pensions and protection fund is not paid to such

pension and relief fund within thirty-six months, such portion
is forfeited by such pension and relief fund and is allocable to
other eligible municipal policemen's and firemen's pension and
relief funds in accordance with section fourteen-d, article three,
chapter thirty-three of this code.

§8-22-19a. Refunds of members contributions.

Any member of a paid police or fire department who is re-1 2 moved or discharged or who before retirement on any retire-3 ment pension or disability pension severs his connection with 4 said department, whether or not consecutive, shall, upon re-5 quest, be refunded all pension and relief fund deductions made 6 from his salary or compensation, but without interest. Any 7 member who receives such refund and such member subse-8 quently wishes to reenter the department, such police officer or 9 fire fighter shall not be allowed to reenter the department un-10 less such police officer or firefighter repays to the pension and relief fund all sums refunded to him in a lump sum at the 11 12 date of reentry or by monthly payroll deductions within thirty-13 six months from the date he reenters the department with in-14 terest at the rate of eight percent per annum. In the event such 15 refund is made prior to the first day of January, one thousand 16 nine hundred eighty-one and such member subsequently re-17 enters the department such police officer or firefighter shall 18 be allowed membership in such pension and relief fund; how-19 ever, no credit may be allowed such member for any former 20 service, unless such member repays to the pension and relief 21 fund all sums refunded to him within one year from the date 2.2 he reenters the department with interest at the rate of eight 23 percent per annum: Provided, That any member who, on or before June three, one thousand nine hundred fifty-five, re-24 25 entered the paid police or fire department shall be allowed 26 credit for any former service in the same department reentered 27 if he, within one year from said June three, one thousand nine 28 hundred fifty-five, repaid all sums withdrawn or refunded to 29 him with interest at the rate of six percent per annum, but for 30 such member who receives such refund prior to the first day 31 of January, one thousand nine hundred eighty, interest may 32 not be charged for more than three years. Any probationary 33 member of a paid police or fire department who is not given an

34 absolute appointment at the end of his probationary period 35 shall, upon request, be refunded all pension and relief fund 36 deductions made from his salary or compensation, but without 37 interest. Any member contribution made in fiscal years be-38 ginning on the first day of July, one thousand nine hundred 39 eighty-one and thereafter by any member of such fund, which is in excess of percentage required in section nineteen of this 40 41 article of such members salary or compensation as defined in 42 section sixteen of this article shall be refunded with eight per-43 cent interest to such member upon completion of the calcu-44 lation of his retirement benefit.

§8-22-20. Minimum standards for actuarial soundness.

The board of trustees for each pension and relief fund shall
 have regularly scheduled actuarial valuation reports prepared
 by a qualified actuary. All of the following standards must
 be met:

5 (a) An actuarial valuation report shall be prepared at least 6 once every three years commencing with the later of (1) the 7 first day of July, one thousand nine hundred eighty-three, or 8 (2) three years following the most recently prepared actuarial 9 valuation report: *Provided*, That this most recently prepared 10 actuarial valuation report meets all of the standards of this 11 section.

12 (b) The actuarial valuation report shall consist of, but is 13 not limited to, the following disclosures: (1) the financial ob-14 jective of the fund and how the objective is to be attained, (2) the progress being made toward realization of the financial 15 16 objective, (3) recent changes in the nature of the fund, benefits 17 provided, or actuarial assumptions or methods, (4) the fre-18 quency of actuarial valuation reports and the date of the most recent actuarial valuation report, (5) the method used to value 19 20 fund assets, (6) the extent to which the qualified actuary relies 21 on the data provided and whether the data was certified by the 22 fund's auditor or examined by the qualified actuary for reas-23 onableness, (7) a description and explanation of the actuarial 24 assumptions and methods, and (8) any other information the 25 qualified actuary feels is necessary or would be useful in fully 26 and fairly disclosing the actuarial condition of the fund.

27 (c) After the thirtieth day of June, one thousand nine hun-28 dred eighty-three and thereafter, the financial objective of each 29 municipality shall not be less than to contribute to the fund 30 annually an amount which, together with the contributions from 31 the members and the allocable portion of the state premium 32 tax fund for municipal pension and relief funds established 33 under section fourteen-d, article three, chapter thirty-three of 34 this code and other income sources as authorized by law, will 35 be sufficient to meet the normal cost of the fund and amortize 36 any actuarial deficiency over a period not more than forty 37 years: Provided, That for those funds in existence on the first 38 day of June, one thousand nine hundred eighty-one, its ac-39 tuarial deficiency, if any, shall not be amortized over a period 40 longer than that which remains under its current schedule. For 41 purposes of determining this minimum financial objective, (1) 42 the value of the fund's assets shall be determined on the basis 43 of any reasonable actuarial method of valuation which takes 44 into account fair market value, and (2) all costs, deficiencies, 45 rate of interest, and other factors under the fund shall be de-46 termined on the basis of actuarial assumptions and methods 47 which, in aggregate, are reasonable (taking into account the 48 experience of the fund and reasonable expectations) and which, 49 in combination, offer the qualified actuary's best estimate of 50 anticipated experience under the fund. If as a result of this 51 legislation a municipality's financial commitment to the fund 52 is materially increased, the municipality may elect to phase in 53 this increase over the five fiscal years commencing the first 54 day of June, one thousand nine hundred eighty-three.

55 (d) For purposes of this section the term "qualified actuary" 56 means only an actuary who is a member of the society of ac-57 tuaries or the American academy of actuaries. The qualified 58 actuary shall be designated a fiduciary and shall discharge his 59 duties with respect to a fund solely in the interest of the 60 members and member's beneficiaries of that fund. In order for 61 the standards of this section to be met, the qualified actuary 62 shall certify that the actuarial valuation report is complete 63 and accurate and that in his opinion the technique and assump-64 tions used are reasonable and meet the requirements of this 65 section of this article.

66 (e) The cost of the preparation of the actuarial valuation67 report shall be paid by the fund.

§8-22-21. Duties and bond of custodian of funds.

1 The treasurer of the municipality shall be the custodian of 2 all of the assets of the policemen's pension and relief fund 3 and firemen's pension and relief fund, and shall deposit and 4 pay out the moneys thereof upon, and in accordance with, any 5 proper order of the board of trustees. Such treasurer shall be liable upon his official bond as treasurer for the faithful per-6 7 formance of his duties in respect to such fund or funds, and the 8 official bond of the treasurer covering such fund or funds shall 9 be executed with a good and financially responsible surety company authorized to do business in this state, as surety for 10 11 such fund or funds. The treasurer of the municipality shall as 12 a fund fiduciary, discharge his duties with respect to such pension and relief fund solely in the interest of the members and 13 14 members' beneficiaries for the exclusive purpose of providing 15 benefits to such members and their beneficiaries and defray-16 ing reasonable expenses of administering the fund. Such fund or funds shall be trust funds and shall not be used for any 17 18 other purpose than provided herein. Such treasurer shall keep in convenient form such data as may be necessary for an 19 20 actuarial valuation report of such fund and for checking the 21 actuarial experience of such fund.

§8-22-22. Investment of funds; exercise of judgment in making investments; actuarial studies required; annual report.

1 The board of trustees may invest a portion or all of the 2 fund assets in the consolidated fund or the consolidated pen-3 sion fund. The board of trustees shall invest any moneys re-4 ceived by it and not invested in the consolidated fund or the 5 consolidated pension fund in the following classes of securities 6 and accounts and not otherwise, which securities and accounts 7 mature on such dates as will make available such amount of 8 cash as is required:

9 (a) Obligations of the United States or any agency thereof, 10 which are guaranteed by the United States or for which the 11 full faith and credit of the United States is pledged for the 12 payment of principal and interest, or any obligation of an agency of the United States designated in section nine, articlesix, chapter twelve of this code.

(b) Certificates of deposit secured by (1) obligations as
listed in subdivision (a) of this section, (2) general obligation
or revenue bonds of the state of West Virginia, (3) general
obligation bonds of any other state, (4) general obligation bonds
of any county in this state or of any county board of education
in this state, or (5) general obligation bonds of any municipality in this state.

22 (c) Interest bearing savings accounts or certificates of deposit in banking institutions, the accounts of which are in-23 sured by the federal deposit insurance corporation, or interest 24 25 bearing savings accounts in federal savings and loan asso-26 ciations, the accounts of which are insured by the federal sav-27 ings and loan insurance corporation, or interest bearing savings accounts in building and loan associations, the accounts 28 29 of which are insured by the federal savings and loan insurance 30 corporation: *Provided*, That an investment in any such savings 31 account in excess of the amount thereof which would be in-32 sured by the federal deposit insurance corporation or the feder-33 al savings and loan insurance corporation, as the case may be, 34 shall not be made unless such banking institution, federal 35 savings and loan association or building and loan association provides adequate bond or other adequate security for the 36 37 amount of the proposed municipal investment in excess of 38 such insurance coverage, the adequacy of any such bond or 39 other security to be determined by the treasurer of such muni-40 cipality.

41 (d) Any security that is secured by a first lien deed of 42 trust or mortgage on real property situate within this state: 43 Provided, That the value of the securing of first lien deed of 44 trust or mortgage shall be at least twice the amount loaned 45 thereon, based on a sound appraisal by a competent appraiser 46 and duly certified by him or federally insured: Provided, how-47 ever, That the interest for such loan of money at a rate ex-48 pressed in terms of dollars upon one hundred dollars for a 49 year, shall be not less than the monthly index of long-term 50 government bonds yields for the second preceding calendar

51 month plus an additional one percent a year rounded off to 52 the nearest quarter of one percent a year.

Any investment made under this article shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which men of experience, prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived.

§8-22-23a. Eligibility for total and temporary disability pensions and total and permanent disability pensions.

1 (a) All members applying for total and temporary or 2 total and permanent disability benefits after the thirtieth day of June, one thousand nine hundred eighty-one, shall be 3 examined by at least two physicians under the direction of 4 the staff at Marshall University, West Virginia University, 5 6 Morgantown or West Virginia University, Charleston: Provided. That if such member's medical condition cannot be 7 8 agreed upon by two such physicians, a third physician shall examine such member. Such medical examination shall include 9 the review of such member's medical history. The expense of 10 11 the member's transportation to such medical examination and 12 the expense of the medical examination shall be paid by the 13 board of trustees, such medical expense shall not exceed the 14 reasonable and customary charges for such services.

15 (b) Effective for members becoming eligible for total and temporary disability benefits after the thirtieth day of June, 16 17 one thousand nine hundred eighty-one, initially or previously under this subsection allowance for initial or additional total 18 19 and temporary disability payments, the amount thereof to be 20 determined as specified in section twenty-four of this article, 21 shall be paid to such member during such disability for a 22 period not exceeding twenty-six weeks if after a medical 23 examination in accordance with subsection (a) of this section 24 of this article, two examining physicians report in writing to the board of trustees that (1) such member has become so 25 26 totally, physically or mentally disabled, from any reason, as to render such member totally, physically or mentally, incapa-27

28 citated for employment as a police officer or firefighter and 29 (2) it has not been determined if such disability is permanent 30 or it has been determined that such disability may be alleviat-31 ed or eliminated if such member follows a reasonable medical 32 treatment plan or reasonable medical advice: Provided, That 33 in any event a member is not eligible for total and temporary 34 disability payments following the fourth consecutive twenty-35 six week period of total and temporary disability unless such 36 subsequent disability results from a cause unrelated to the 37 cause of the four previous periods of total and temporary dis-38 ability. During such two-year period of such total and tem-39 porary disability, such department is required to restore such 40 member to his former position in such department at any time 41 he is determined to no longer be disabled: Provided, That the 42 department may refill, on a temporary basis, the position va-43 cated by such member after the first twenty-six weeks of his 44 temporary disability.

45 (c) Effective for members becoming eligible for total and 46 permanent disability benefits initially under this subsection or 47 becoming eligible for total and temporary disability benefits 48 under subsection (b) of this section after the thirtieth day of 49 June, one thousand nine hundred eighty-one, allowance for 50 total and permanent disability payments, the amount thereof to 51 be determined as specified in section twenty-four of this 52 article, shall be paid to such member after a medical examina-53 tion in accordance with subsection (a) of this section, two 54 examining physicians report in writing to the board of trustees 55 that such member has become so totally, physically or ment-56 ally, and permanently disabled, as a proximate result of ser-57 ice rendered in the performance of his duties in such depart-58 ment, as to render such member totally, physically or ment-59 ally, and permanently incapacitated for employment as a 60 police officer or firefighter or, if such member has been a 61 member of either of such departments for a period of not less 62 than five consecutive years preceding such disability, such 63 member has become so totally, physically or mentally, and 64 permanently disabled, from any reason other than service ren-65 dered in the performance of his duties in such department, as to 66 render such member totally, physically or mentally, and per-

67 manently incapacitated for employment as a police officer or 68 firefighter. The phrase "totally, physically or mentally, and 69 permanently disabled" shall not be construed to include a 70 medical condition which may be corrected if such member 71 follows a reasonable medical treatment plan or reasonable 72 medical advice.

(d) Effective for members becoming eligible for total and temporary disability benefits after the thirtieth day of June, one thousand nine hundred eighty-one under the provisions of subsection (b) of this section, any payments for total and temporary disability for a period during such disability for not exceeding twenty-six weeks shall cease at the end of such twenty-six week period under the following conditions:

80 (1) Such member fails to be examined as provided in sub-81 section (a) of this section or (2) such member is examined or 82 reexamined as provided in subsection (a) and two examining 83 physicians report to the board of trustees that such member's 84 medical condition does not meet the requirements of sub-85 section (b) or (c) of this section. Effective for members becoming eligible for total and temporary disability benefits after 86 87 the thirtieth day of June, one thousand nine hundred eighty-one 88 under subsection (b) of this section, subsequent to such mem-89 ber's receipt of total and temporary disability payments for a 90 period of two years, such payments shall cease at the end of 91 such two-year period under the following conditions: (1) Such 92 member fails to be examined as provided in subsection (a) of 93 this section of this article or (2) such member is examined or 94 reexamined as provided in subsection (a) and two examining physicians report to the board of trustees that such member's 95 medical condition does not meet the requirements of sub-96 97 section (c) of this section.

§8-22-24. Total and permanent disability pensions and total temporary disability pensions.

1 (a) The monthly sum to be paid to each member eligible 2 for disability, prior to the first day of July, one thousand 3 nine hundred eighty-one, under the provisions of section 4 twenty-four of this article or, after the thirtieth day of 5 June, one thousand nine hundred eighty-one, under the pro6 visions of section twenty-three-a of this article, shall be equal
7 to sixty percent of the monthly salary or compensation being
8 received by such member, at the time he is so disabled, or
9 the sum of two hundred dollars per month, whichever shall
10 be greater: *Provided*, That the limitation provided in sub11 section (b) of the section is not exceeded.

12 (b) Effective for any member who becomes eligible for 13 disability benefits on or after the first day of July, one thousand nine hundred eighty-one under the provisions of 14 15 section twenty-three-a of this article, as a proximate result of service rendered in the performance of his duties within 16 17 such departments, his monthly disability payment as pro-18 vided in subsection (a) of this section shall not, when aggregated with the monthly amount of state workmen's com-19 pensation, result in such disabled member receiving a total 20 21 monthly income from such sources in excess of one hundred 22 percent of the basic compensation which is paid to members holding the same position which such member held within 23 such department at the time of his disability. Lump sum 24 25 payments of state workmen's compensation benefits shall 26 not be considered for purposes of this subsection unless such lump sum payments represented commuted values of monthly 27 state workmen's compensation benefits. 28

§8-22-25. Retirement pensions.

1 (a) Any member of a paid police or fire department who 2 is entitled to a retirement pension hereunder, and who has 3 been in the honorable service of such department for twenty 4 years, may, upon written application to the board of trustees, 5 be retired from all service in such department without medical examination or disability; an on such retirement the board 6 of trustees shall authorize the payment of annual retirement 7 8 pension benefits commencing upon his retirement or upon his 9 attaining the age of fifty years, whichever is later, payable 10 in twelve monthly installments for each year of the remainder 11 of his life, in an amount equal to sixty percent of such mem-12 ber's average annual salary or compensation received during the three twelve-consecutive-month periods, not necessarily 13 14 consecutive, each of such three periods beginning with the same calendar month of different years and all such three 15

periods falling within the member's final five years of employment with such department, in which such member
received his highest salary or compensation while a member
of the department, or an amount of two hundred dollars per
month, whichever shall be greater.

21 (b) Any member of any such department who is entitled to 22 a retirement pension under the provisions of subsection (a) 23 of this section and who has been in the honorable service of 24 such department for more than twenty years at the time of 25 his retirement, as herein provided, shall, in addition to the 26 sixty percent authorized in said subsection (a), receive one 27 additional percent, to be added to the sixty percent, per each 28 vear served in excess of said twenty years, up to a maximum 29 of ten additional percent.

30 (c) Any member of any such department whose service has 31 been interrupted by duty with the armed forces of the United 32 States as provided in section twenty-seven of this article 33 and who retires prior to the first day of July, one thousand 34 nine hundred eighty-one, shall be eligible for retirement 35 pension benefits immediately upon retirement, regardless of his age, if he shall otherwise be eligible for such retirement 36 37 pension benefits.

38 (d) Any member of a paid police or fire department shall 39 be retired at the age of sixty-five years in the manner pro-40 vided in this subsection. When a member of the paid police 41 or fire department shall have reached the age of sixty-five vears, the said board of trustees shall notify the mayor of 42 43 this fact, within thirty days of such member's sixty-fifth 44 birthday; and the mayor shall cause such sixty-five-year-old member of the paid police or fire department to be retired 45 within a period of not more than thirty additional days. 46 47 Upon retirement under the provisions of this subsection (d), such member shall receive retirement pension benefits pay-48 49 able in twelve monthly installments for each year of the 50 remainder of his life, in an amount equal to sixty percent of 51 such member's average annual salary or compensation received during the three twelve-consecutive-month periods, not neces-52 53 sarily consecutive, each of such three periods beginning with 54 the same calendar month of different years and all such 55 three periods falling within the member's final five years 56 of employment with such department, in which such member 57 received his highest salary or compensation while a member 58 of the department, or an amount of two hundred dollars per 59 month, whichever shall be greater, and if such member has 60 been employed in said department for more than twenty 61 years, the provisions of subsection (b) of this section shall 62 apply.

63 (e) It shall be the duty of each member of a paid police 64 or fire department at the time a fund is hereafter established 65 to furnish the necessary proof of his date of birth to the said 66 board of trustees, as specified in section twenty-three of this article, within a reasonable length of time, said length of 67 time to be determined by the said board of trustees; and 68 69 then the board of trustees and the mayor shall proceed to 70 act in the manner provided in subsection (d) of this section 71 and shall cause all members of the paid police or fire de-72 partment who are over the age of sixty-five years to be 73 retired in not less than sixty days from the date the fund is 74 established. Upon retirement under the provisions of this 75 subsection (e), such member, whether he has been employed in said department for twenty years or not, shall receive 76 77 retirement pension benefits payable in twelve monthly in-78 stallments for each year of the remainder of his life, in an 79 amount equal to sixty percent of such member's average 80 annual salary or compensation received during the three 81 twelve-consecutive-month periods, not necessarily consecu-82 tive, each of such three periods beginning with the same 83 calendar month of different years and all such three periods 84 falling within the member's final five years of employment 85 with such department, in which such member received his 86 highest salary or compensation while a member of the de-87 partment, or an amount of two hundred dollars per month, whichever shall be greater, and if such member has been 88 89 employed in said department for more than twenty years, the 90 provisions of subsection (b) of this section shall apply.

§8-22-26. Death benefits.

1 (a) In case:

2 (1) Any member of a paid police or fire department who

3 has been in continuous service for more than five years dies 4 from any cause other than as specified in subsection (b) of this 5 section before retirement on a disability pension under the 6 provisions of, prior to the first day of July, one thousand nine 7 hundred eighty-one, section twenty-four of this article or, after 8 the thirtieth day of June, one thousand nine hundred eighty-9 one, section twenty-three-a and twenty-four of this article or a 10 retirement pension under the provisions of subsection (a) or 11 both subsections (a) and (b) of section twenty-eight of this 12 article, leaving in either case surviving a dependent spouse, or 13 any dependent child or children under the age of eighteen years, 14 or dependent father or mother or both, or any dependent 15 brothers or sisters or both under the age of eighteen years; or

16 (2) Any former member of any such department who is on 17 a disability pension prior to the first day of July, one thousand 18 nine hundred eighty-one, under section twenty-four of this 19 article, or after the thirtieth day of June, one thousand nine 20 hundred eighty-one, under sections twenty-three-a and twenty-21 four of this article, or is receiving or is entitled to receive re-22 tirement pension benefits under the provisions of subsection 23 (a) or both subsections (a) and (b) of section twenty-five of this 24 article, shall die from any cause other than as specified in 25 subsection (b) of this section leaving in either case surviving a 26 dependent spouse to whom the marriage took place prior to the 27 date of such member's retirement on a disability pension or a 28 retirement pension, or any dependent child or children under 29 the age of eighteen years who were born prior to or within ten 30 months after the date of such member's retirement on a dis-31 ability pension or a retirement pension, or dependent father or 32 mother or both, or any dependent brothers or sisters or both 33 under the age of eighteen years; then in any of the cases set 34 forth above in (1) and (2) the board of trustees of such pen-35 sion and relief fund shall, immediately following the death of 36 such member, pay to or for each of such entitled surviving de-37 pendents the following pension benefits viz.: To such depen-38 dent spouse, until death or remarriage, a sum per month equal 39 to thirty percent of such member's average monthly salary or 40 compensation received during the three twelve-consecutive-41 month periods, not necessarily consecutive, each of such three 42 periods beginning with the same calendar month of different 43 years and all such three periods falling within the member's 44 final five years of employment with such department, in which 45 such member received his highest salary or compensation while 46 a member of the department, hereinafter for convenience re-47 ferred to in this section as "monthly average," or an amount of 48 one hundred dollars per month, whichever shall be greater; to 49 each such dependent child a sum per month equal to ten per-50 cent of such monthly average, or the sum of thirty dollars per 51 month for each such child, whichever shall be greater, until 52 such child shall attain the age of eighteen years or marry, 53 whichever first occurs: to each such dependent orphaned child 54 a sum per month equal to fifteen percent of such monthly 55 average, or the sum of forty-five dollars per month for each 56 such child, whichever shall be greater, until such child shall 57 attain the age of eighteen years or marry, whichever first oc-58 curs; to each such dependent father or mother a sum per 59 month for each equal to ten percent of such monthly average, 60 or the sum of thirty dollars per month for each such father 61 and mother, whichever shall be greater; to each such depen-62 dent brother or sister the sum of five dollars per month until 63 such individual shall attain the age of eighteen years or marry, 64 whichever first occurs but in no event shall the aggregate 65 amount paid to such brothers and sisters exceed thirty dollars 66 per month; but if at any time, because of the number of de-67 pendents, all such dependents cannot be paid in full as herein 68 provided, then each dependent shall receive his pro rata share 69 of such payments: Provided, That in no case shall the payments 70 to the surviving spouse and children be cut below sixty-five 71 percent of the total amount to be paid to all dependents.

72 (b) The dependent spouse, child or children, or dependent 73 father or mother, or dependent brothers or sisters, of any such 74 member who shall die by reason of service rendered in the 75 performance of such member's duties shall, regardless of the 76 length of such member's service and irrespective of whether 77 such member was or was not entitled to receive or was or 78 was not receiving disability pension or temporary disability 79 payments at the time of his death, receive the death benefits 80 provided for in subsection (a) of this section, and if such mem-

ber had less than three years' service at the time of his death,
the monthly average shall be computed on the basis of the
actual number of years of service.

(c) If a member dies without leaving a dependent spouse,
child or children, or dependent father or mother, or dependent
brothers or sisters, his contributions to the fund plus interest
shall be refunded to his named beneficiary or, if no beneficiary
has been named, to his estate to the extent that such contributions plus interest exceed any disability or retirement benefits
that he may have received before his death.

91 (d) The provisions of this section shall not be construed as 92 creating or establishing any contractual or vested rights in favor 93 of any individual who may be or become qualified as a beneficiary of the death benefits herein authorized to be made all 94 95 the provisions hereof and benefits provided for hereunder be-96 ing expressly subject to such subsequent legislative enactments 97 as may provide for any change, modification or elimination of the beneficiaries or benefits specified herein. 98

§8-22-27. General provisions concerning disability pensions, retirement pensions and death benefits.

(a) In determining the years of service of a member in a
 paid police or fire department for the purpose of ascertain ing certain disability pension benefits, all retirement pension
 benefits and certain death benefits, the following provisions
 shall be applicable:

6 (1) Absence from the service because of sickness or 7 injury for a period of two years or less shall not be construed 8 as time out of service; and

9 (2) Any member of any paid police or fire department 10 covered by the provisions of sections sixteen through twentyeight of this article who has been required to or shall at any 11 future time be required to enter the armed forces of the 12 13 United States by conscription, by reason of being a member of some reserve unit of the armed forces which unit is called 14 into active duty for one year or more or a member of the 15 16 West Virginia national guard or air national guard, or who 17 enlists in one of the armed forces of the United States during 18 hostilities, and who upon receipt of an honorable discharge from such armed forces presents himself for resumption of 19 20 duty to his appointed municipal official within six months from his date of discharge, and is accepted by the pension 21 board's board of medical examiners as being mentally and 22 23 physically capable of performing his required duties as a 24 member of such paid police or fire department, shall be given 25 credit for continuous service in said paid police or fire department, and his rights shall be governed as herein pro-26 27 vided. No member of a paid police or fire department shall be required to pay the monthly assessment as now required 28 29 by law, during his period of service in the armed forces of the 30 United States.

(b) As to any former member of a paid police or fire
department receiving disability pension benefits or retirement pension benefits from a policemen's or firemen's pension
and relief fund, on the effective date of this article, the following provisions shall govern and control the amount of such
pension benefits:

37 (1) A former member who on June thirtieth, one thousand 38 nine hundred sixty-two, was receiving disability pension bene-39 fits or retirement pension benefits from a policemen's or 40 firemen's pension and relief fund, shall continue to receive 41 pension benefits but on and after July one, one thousand 42 nine hundred seventy-one, such pension benefits shall be in the 43 amount of two hundred dollars per month; and

44 (2) A former member who became entitled to disability 45 pension benefits or retirement pension benefits on or after July one, one thousand nine hundred sixty-two, shall con-46 47 tinue to receive pension benefits but on and after July one, 48 one thousand nine hundred seventy-one, shall receive the disability pension benefits or retirement pension benefits 49 50 provided for in section twenty-four or section twenty-five of this article, as the case may be. 51

(c) As to any dependent spouse, child or children, or dependent father or mother, or dependent brothers or sisters,
of any former member of a paid police or fire department,
receiving any death benefits from a policemen's pension and

relief fund or firemen's pension and relief fund, on the
effective date of this article, the following provisions shall
govern and control the amount of such death benefits:

59 (1) A dependent spouse, child or children, or dependent 60 father or mother, or dependent brothers or sisters, of any 61 former member, who on June thirty, one thousand nine 62 hundred sixty-two, was receiving any death benefits from a 63 policemen's pension and relief fund or firemen's pension and 64 relief fund, shall continue to receive death benefits but on 65 and after July one, one thousand nine hundred seventy-one, such death benefits shall be in the following amounts: To a 66 67 dependent spouse, until death or remarriage, the sum of one 68 hundred dollars per month; to each dependent child the sum 69 of thirty dollars per month, until such child shall attain 70 the age of eighteen years or marry, whichever first occurs; 71 to each dependent orphaned child the sum of forty-five dollars per month, until such child shall attain the age of 72 73 eighteen years or marry, whichever first occurs; to each 74 dependent father and mother the sum of thirty dollars per 75 month for each; to each dependent brother or sister the sum of five dollars per month, until such individual shall attain 76 77 the age of eighteen years or marry, whichever first occurs, 78 but in no event shall the aggregate amount paid to such 79 brothers and sisters exceed thirty dollars per month; but 80 if at any time, because of the number of dependents, all 81 such dependents cannot be paid in full as herein provided, 82 then each dependent shall receive his pro rata share of such 83 payments: Provided, That in no case shall the payments to 84 the surviving spouse and children be cut below sixty-five 85 percent of the total amount to be paid to all dependents;

86 (2) A dependent spouse, child or children, or dependent 87 father or mother, or dependent brothers or sisters, of any 88 former member, who became eligible for death benefits on 89 or after July one, one thousand nine hundred sixty-two, shall 90 continue to receive death benefits but on and after July 91 one, one thousand nine hundred seventy-one, shall receive 92 the death benefits provided for in section twenty-six of this 93 article.

94 (d) A former member who is receiving disability pension

95 benefits on the thirtieth day of June, one thousand nine 96 hundred eighty-one, shall continue to receive disability pension

97 benefits provided for in section twenty-four of this article.

§8-22-28. Period in which payments limited to income from fund; reduced payments where fund insufficient.

1 Until the expiration of three years from the time of the 2 creation of any such fund, unless otherwise authorized by ordinance of the municipality, no payment shall be made to 3 any member or beneficiary except from the income arising 4 from said fund; and if at any time prior to the first day of 5 July, one thousand nine hundred eighty-one, there shall not 6 7 be sufficient money to the credit of said pension and relief fund to pay each member and beneficiary entitled to the 8 benefits thereof the full amount per month, as herein pro-9 vided, then an equal percentage of such monthly payments 10 shall be made to each member and beneficiary thereof, until 11 the earlier of (a) the first day of July, one thousand nine 12 hundred eighty-three, and (b) such time when said fund is 13 so replenished as to warrant payment in full to each of such 14 15 members and beneficiaries.

CHAPTER 12. PUBLIC MONEYS AND SECURITIES.

ARTICLE 6. WEST VIRGINIA STATE BOARD OF INVESTMENTS.

§12-6-2. Definitions.

1 As used in this article, unless a different meaning clearly ap-2 pears from the context:

3 (1) "Board" means the West Virginia state board of in-4 vestments;

5 (2) "Consolidated fund" means the investment fund
6 managed by the board and established pursuant to subsection
7 (b), section eight of this article;

8 (3) "Consolidated pension fund" means the investment 9 fund managed by the board and established pursuant to 10 subsection (a), section eight of this article;

(4) "Local government account" means the account within
the consolidated fund established pursuant to subsection (b),
section eight of this article;

14 (5) "Local government funds" means the moneys of a
15 political subdivision, including policemen's pension and re16 lief funds and firemen's pension and relief funds, transferred to
17 the board for deposit in the local government account;

18 (6) "Pension funds" means and includes the workmen's compensation fund; the state teachers retirement system 19 20 funds; the death, disability and retirement fund for members 21 of the department of public safety; the public employees re-22 tirement system funds; the judges retirement fund; policemen's 23 pension and relief funds; firemen's pension and relief fund; and 24 such other retirement or pension funds and systems as may 25 be hereafter established on behalf of public employees of the state or of its political subdivisions and administered by the 26 27 state:

(7) "Securities" means all bonds, notes, debentures or
other evidences of indebtedness, and shall not mean corporate
stock;

(8) "State account" means the account within the consolidated fund established pursuant to subsection (b), section
eight of this article; and

(9) "State funds" means all moneys of the state which
may be lawfully invested except (a) the pension funds (as defined in subdivision (6) of this section) and (b) the "school
fund" established by section four, article XII of the state constitution.

CHAPTER 33. INSURANCE.

ARTICLE 3. LICENSING, FEES AND TAXATION OF INSURERS.

§33-3-14d. Additional fire and casualty insurance premium tax; allocation of proceeds; effective date.

1 (a) For the purpose of providing additional revenue for 2 municipal policemen's and firemen's pension and relief funds 3 and additional revenue for volunteer and part volunteer fire 4 companies and departments, there is hereby levied and im-5 posed, on and after the first day of January, one thousand nine 6 hundred eighty-two, an additional premium tax equal to one 7 percent of gross direct premiums collected, less premiums re8 turned to policyholders because of cancellation of policies, for 9 fire insurance and casualty insurance policies. Except as other-10 wise provided in this section, all provisions of this article 11 relating to the levy, imposition and collection of the regular 12 premium tax are applicable to the levy, imposition and collec-13 tion of the additional tax.

All moneys collected from this additional tax shall be received by the commissioner and paid by him into a special account in the state treasury, designated the municipal pensions and protection fund. The net proceeds of this tax after appropriation thereof by the Legislature, shall be distributed in accordance with the provisions of subsection (c) of this section.

21 (b) Before the first day of August, one thousand nine hun-22 dred eighty-three, and before the first day of August of each 23 calendar year thereafter, the treasurer of each municipality 24 in which a municipal policemen's or firemen's pension and 25 relief fund has been established shall report to the state audi-26 tor the average monthly number of members who worked at 27 least one hundred hours per month of municipal policemen's 28 or firemen's pension systems during the preceding fiscal year. 29 Before the first day of August, one thousand nine hundred 30 eighty-three, and before the first day of August of each calen-31 dar year thereafter, the state fire marshal shall report to the 32 state auditor the names and addresses of all volunteer and part 33 volunteer fire companies and departments within the state 34 which meet the eligibility requirements established in section 35 eight-a, article fifteen, chapter eight of this code.

36 Before the first day of September, one thousand nine hun-37 dred eighty-three, and before the first day of September of each calendar year thereafter, the state auditor shall allocate and 38 39 distribute the revenues in the municipal pensions and protection 40 fund which were collected during the preceding calendar year to municipal policemen's and firemen's pension and relief 41 42 funds and to volunteer and part volunteer fire companies and 43 departments. Seventy-five percent of the aforementioned reve-44 nues allocated shall be allocated to municipal policemen's and 45 firemen's pension and relief funds and twenty-five percent of

46 such allocated revenues shall be allocated to volunteer and47 part volunteer fire companies and departments.

48 (c) (1) Each municipal pension and relief fund shall receive 49 a pro rata share of the revenues allocated to municipal police-50 men's and firemen's pension and relief funds based upon the 51 corresponding municipality's average monthly number of mem-52 bers who worked at least one hundred hours per month during 53 the preceding fiscal year. All moneys received by municipal 54 pension and relief funds under this section may be expended 55 only for the purposes described in sections sixteen through 56 twenty-eight, article twenty-two, chapter eight of this code.

57 (2) Each volunteer fire company or department shall re58 ceive an equal share of the revenues allocated for volunteer
59 and part volunteer fire companies and departments.

60 (3) In addition to the share allocated and distributed in ac-61 cordance with subdivision (1) of this subsection, each muni-62 cipal fire department composed of full-time paid members 63 and volunteers and part volunteer fire companies and depart-64 ments equal to the share distributed to volunteer fire companies under subdivision (2) of this subsection reduced by an 65 66 amount equal to such share multiplied by the ratio of the 67 number of full-time paid fire department members who are 68 also members of a municipal firemen's pension system to the 69 total number of members of such fire department.

(d) The allocation and distribution of revenues provided for
in this section are subject to the provisions of section twenty,
article twenty-two, and sections eight-a and eight-b, article
fifteen, chapter eight of this code.

§33-12-16a. Additional premium tax on excess line brokers; allocation of proceeds; effective date.

For the purpose of providing additional revenue for municipal policemen's and firemen's pension and relief funds and additional revenue for volunteer and part volunteer fire companies and departments, an additional annual premium tax is hereby imposed and required to be paid, on and after the first day of January, one thousand nine hundred eighty-two, in addition to the annual premium tax imposed by section sixteen of

8 this article, which additional tax shall be a sum equal to four 9 percent of the gross premiums received on the gross business procured by such licensee on subjects of insurance, resident, 10 11 located or to be performed in this state and obtained pursuant 12 to the provisions of this article, including any so-called 13 dividends on participating insurance policies applied in reduc-14 tion of premiums, less premiums returnable for cancellation. 15 All provisions of this article relating to the levy, imposition 16 and collection of the regular premium tax are applicable to the 17 levy, imposition and collection of this additional tax.

18 All such taxes paid to the commissioner pursuant to this 19 section shall be paid by him into a special account in the 20 state treasury, designated the municipal pensions and protection 21 fund, and after appropriation by the Legislature, shall be dis-22 tributed in accordance with the provisions of subsection (c), 23 section fourteen-d, article three of this chapter.

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

Chairman Senate Committee Chairman House Committee

Originated in the House.

Takes effect ninety days from passage.

Clerk of the Senate

d'an a Clerk of the House President of the Senate Speaker House of Delegates _____ this the _____ The within M G day of , 1981. Governor C-641

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