WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1995

ENROLLED

SENATE BILL NO. 262

(By Senator Pynoos, et al.)

PASSED MARCH 2, 1995
In Effect 90 days from Passage
ENROLLED

Senate Bill No. 262

(BY SENATORS PLYMALE, HELMICK, JACKSON, MANCHIN, WALKER, BOLEY AND KIMBLE)

[Passed March 7, 1995; in effect ninety days from passage.]

AN ACT to amend and reenact section four, article ten-c, chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the tax-deferral of federal and state income tax of all employee contributions into the West Virginia public employees’ retirement system.

Be it enacted by the Legislature of West Virginia:

That section four, article ten-c, chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:
ARTICLE 10C. GOVERNMENT EMPLOYEES RETIREMENT PLANS.

§5-10C-4. Pick-up of members' contributions by participating public employers.

(a) The state of West Virginia for its public employees and county board of education for its teachers shall pick-up and pay the contributions which such employees are required by law to make to the retirement system in which they are a member for all compensation earned by its member employees after the thirtieth day of June, one thousand nine hundred eighty-six. Any political subdivision that is a participating public employer in the West Virginia public employees retirement system shall pick-up and pay the contributions which such employees are required by law to make to the retirement system in which they are members for all compensation earned by its member employees after the first day of January, one thousand nine hundred ninety-five. Any election made by a political subdivision to pick-up and pay employee contributions prior to the first day of January, one thousand nine hundred ninety-five, shall remain in effect and not be altered or amended by the amendments made to this section during the regular legislative session, one thousand nine hundred ninety-five.

(b) When the participating public employer picks up and pays the contributions of its member employees, the contributions shall be treated as employer contributions in determining the tax treatment thereof under article twenty-one, chapter eleven of this code, and the federal Internal Revenue Code of 1986, as amended, and the
contributions shall not be included in the gross income of the employee in determining his or her tax treatment under said article, and the federal Internal Revenue Code of 1986, as amended, until they are distributed or made available to the employee or his or her beneficiary. The participating public employer shall pay these employee contributions from the same source of funds used in paying compensation to the employee, by effecting an equal cash reduction in the gross salary of the employee, or by an off-set against future salary increases, or by a combination of reduction in gross salary and off-set against future salary increases.

(c) When employee contributions are picked up and paid by the participating public employer, they shall be treated by the board of trustees in the same manner and to the same extent as employee contributions made prior to the date on which employee contributions are picked up by the participating public employer.

(d) The amount of employee contributions picked up by the participating public employer shall be paid to the retirement system in such manner and form, and in such frequency, as the board of trustees may require and shall be accompanied by such supporting data as the board of trustees shall from time to time prescribe. When paid to the retirement system, each of said amounts shall be credited to the deposit fund account of the member for whom the contribution was picked up and paid by the participating public employer.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within is approved this the ______ day of _________, 19__.

Governor