WEST VIRGINIA LEGISLATURE

ENROLLED

SENATE BILL NO. 555

(By Senators Minear, Unger and Plymale)

PASSED April 14, 2001

In Effect July 1, 2001
ENROLLED

Senate Bill No. 559

(BY SENATORS MINEAR, UNGER AND PLYMALE)

[Passed April 14, 2001; to take effect July 1, 2001.]

AN ACT to amend and reenact section twenty-seven, article ten, chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to preretirement death benefits under the West Virginia public employees retirement system; clarifying that a lump sum refund amount may be paid as a preretirement death benefit in lieu of an annuity; clarifying that no annuity benefit is due if the member has fewer than ten years of service; and providing that a married member who has at least ten years of service is allowed to name a beneficiary other than a spouse to receive preretirement death benefits if a valid waiver is presented to the retirement board.

Be it enacted by the Legislature of West Virginia:

That section twenty-seven, article ten, 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 10. WEST VIRGINIA PUBLIC EMPLOYEES RETIREMENT ACT.
§5-10-27. Preretirement death annuities.

(a) In the event any member who has ten or more years of credited service or any former member with ten or more years of credited service and who is entitled to a deferred annuity, pursuant to section twenty-one of this article, may at any time prior to the effective date of his or her retirement, by written declaration duly executed and filed with the board of trustees, in the same manner as if he or she were then retiring from the employ of a participating public employer, elect option A provided for in section twenty-four of this article and nominate a beneficiary whom the board finds to have had an insurable interest in the life of the member. Prior to the effective date of his or her retirement, a member may revoke his or her election of option A and nomination of beneficiary and he or she may again prior to his or her retirement elect option A and nominate a beneficiary as provided in this subsection. Upon the death of a member who has an option A election in force, his or her beneficiary, if living, shall immediately receive an annuity computed in the same manner in all respects as if the same member had retired the day preceding the date of his or her death, notwithstanding that he or she might not have attained age sixty years, and elected the said option A. If at the time of his or her retirement a member has an option A election in force, his or her election of option A and nomination of beneficiary shall thereafter continue in force. As an alternative to annuity option A, a member or former member may elect to have the preretirement death benefit paid as a return of accumulated contributions in a lump sum amount to any beneficiary or beneficiaries he or she chooses.

(b) In the event any member who has ten or more years of credited service, or any former member with ten or more years of credited service and who is entitled to a deferred annuity, pursuant to section twenty-one of this article: (1) Dies; and (2) leaves a surviving spouse, the surviving spouse shall immediately receive an annuity computed in
the same manner in all respects as if the said member had:

(1) Retired the day preceding the date of his or her death,
notwithstanding that he or she might not have attained
age sixty or sixty-two years, as the case may be; (2) elected
option A provided for in section twenty-four of this article;
and (3) nominated his or her surviving spouse as benefici-
ciary. However, the surviving spouse shall have the right
to waive the annuity provided for in this section: Pro-
vided, That he or she executes a valid and notarized
waiver on a form provided by the retirement board and
that the member or former member attests to the waiver.
If the waiver is presented to and accepted by the retire-
ment board, the member or former member shall nominate
a beneficiary who has an insurable interest in the mem-
ber's or former member's life. As an alternative to annuity
option A, the member or former member may elect to have
the preretirement death benefit paid as a return of accu-
mulated contributions in a lump sum amount to any
beneficiary or beneficiaries he or she chooses in the event
a waiver, as provided for in this section, has been pre-
vented to and accepted by the retirement board.

(c) In the event any member who has ten or more years
of credited service or any former member with ten or more
years of credited service and who is entitled to a deferred
annuity, pursuant to section twenty-one of this article: (1)
Dies without leaving surviving him or her a spouse; but (2)
leaves surviving him or her an infant child or children; and
(3) does not have a beneficiary nominated as provided in
subsection (a) of this section, the infant child or children
shall be entitled to an annuity to be calculated as follows:
The annuity reserve shall be calculated as though the
member had retired as of the date of his or her decease and
elected a straight life annuity and the amount of the
annuity reserve shall be paid in equal monthly install-
ments to said the member's infant child or children until
the child or children attain age twenty-one or sooner
marry or become emancipated; however, in no event shall
any child or children receive more than two hundred fifty
dollars per month each. The annuity payments shall be computed as of the date of the death of the member and the amount of the annuity shall remain constant during the period of payment. The annual amount of the annuities payable by this section shall not exceed sixty percent of the deceased member's final average salary.

(d) In the event any member or former member does not have ten or more years of credited service, no preretirement death annuity may be authorized, owed or awarded under this section.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take effect July 1, 2001.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the Day of , 2001.

Governor
PRESENTED TO THE GOVERNOR.
Date: 4/29/01
Time: 11:15 am