

FILED

JUN 19 2003

IN THE OFFICE OF
JOE MANCHIN III
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE
Second Extraordinary Session, 2003

ENROLLED

SENATE BILL NO. 2001

(By Senators Tomblin, Mr. President, and Sprouse,
By Request of the Executive)

PASSED June 12, 2003

In Effect from Passage

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Senate Bill No. 2001

(BY SENATORS TOMBLIN, MR. PRESIDENT, AND SPROUSE,
BY REQUEST OF THE EXECUTIVE)

[Passed June 12, 2003; in effect from passage.]

AN ACT to amend and reenact section four, article eight, chapter twelve of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to providing for executive appointment of members of the pension bond review committee.

Be it enacted by the Legislature of West Virginia:

That section four, article eight, chapter twelve of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 8. PENSION LIABILITY REDEMPTION.

§12-8-4. Issuance of bonds; determination of unfunded actuarial accrued liability.

- 1 (a) Notwithstanding any other provision of this code and
- 2 pursuant to section four, article ten of the constitution of
- 3 West Virginia, the governor shall have the power, as

4 provided by this article, to issue the bonds authorized in
5 this section at a time or times as provided by a resolution
6 adopted by the Legislature to redeem a previous liability
7 of the state by funding all or a portion of the unfunded
8 actuarial accrued liability, such bonds to be payable from
9 and secured by moneys deposited in the pension liability
10 redemption fund. Any bonds issued pursuant to this
11 article, other than refunding bonds, shall be issued no later
12 than five years after the date of adoption of the resolution
13 of the Legislature authorizing the issuance of the bonds
14 referred to in this section.

15 (b) The aggregate principal amount of bonds issued
16 pursuant to the provisions of this article is limited to no
17 more than the lesser of the following: (1) The principal
18 amount necessary, after deduction of costs, underwriter's
19 discount and original issue discount, if any, to fund not in
20 excess of one hundred percent of the unfunded actuarial
21 accrued liability of the death, disability and retirement
22 fund of the division of public safety established in article
23 two, chapter fifteen of this code, one hundred percent of
24 the unfunded actuarial accrued liability of the judges'
25 retirement system established in article nine, chapter fifty-
26 one of this code and ninety-five percent of the unfunded
27 actuarial accrued liability of the teachers retirement
28 system established in article seven-a, chapter eighteen of
29 this code, as certified by the consolidated public retire-
30 ment board to the department of administration pursuant
31 to subsection (e) of this section; or (2) three billion nine
32 hundred million dollars; but in no event shall the aggre-
33 gate principal amount of bonds issued exceed the principal
34 amount necessary, after deduction of costs, underwriter's
35 discount and original issue discount, if any, to fund not in
36 excess of the total unfunded actuarial accrued liability, as
37 certified by the consolidated public retirement board to
38 the department of administration pursuant to subsection
39 (e) of this section.

40 (c) The costs of issuance, excluding fees for bond insur-
41 ance, credit enhancements and liquidity facilities, plus
42 underwriter's discount and any other costs associated with
43 the issuance shall not exceed, in the aggregate, the sum of
44 one percent of the aggregate principal amount of bonds
45 issued. All such costs shall be subject to the review and
46 approval of a majority of the members of a review commit-
47 tee. The review committee shall consist of the state
48 treasurer and four persons having skill and experience in
49 bond issuance, appointed by the governor.

50 (d) The limitation on the aggregate principal amount of
51 bonds provided in this section shall not preclude the
52 issuance of bonds from time to time or in one or more
53 series.

54 (e) No later than ten days after receipt of a request from
55 the department of administration the consolidated public
56 retirement board shall provide the department of adminis-
57 tration with a certified statement of the amount of each
58 pension system's unfunded actuarial accrued liability
59 calculated in an actuarial valuation report that establishes
60 the amount of the unfunded actuarial accrued liability as
61 of a date specified by the department of administration
62 based upon each pension system's most recent actuarial
63 valuation.

64 (f) No later than fifteen days after receipt of a request
65 from the governor the department of administration shall
66 provide the governor with a certification of the maximum
67 aggregate principal amount of bonds that may be issued at
68 that time pursuant to subsection (b) of this section.

69 (g) Prior to any request of the governor that the Legisla-
70 ture prepare and consider a resolution authorizing the
71 issuance of bonds, the bonds shall be authorized by a
72 majority of the members of the review committee de-
73 scribed in subsection (c) of this section.

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

Conroy
.....
Chairman Senate Committee

Sharon Spencer
.....
Chairman House Committee

Originated in the Senate.

In effect from passage.

David E. Kelly
.....
Clerk of the Senate

Gregory M. Boyd
.....
Clerk of the House of Delegates

Carl Roy Tomblin
.....
President of the Senate

Robert Skiss
.....
Speaker House of Delegates

The within is approved this the 19th day of June, 2003.
Bob Wise
.....
Governor

PRESENTED TO THE
GOVERNOR

Date 6/19/03

Time 4:45pm

FILED

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OFFICE WEST VIRGINIA
SECRETARY OF STATE