WEST VIRGINIA LEGISLATURE
FIRST EXTRAORDINARY SESSION, 2008

ENROLLED

House Bill No. 101

(By Mr. Speaker, Mr. Thompson, and Delegate Armstead)
[By Request of the Executive]

Passed March 16, 2008

In Effect from Passage
AN ACT to repeal §18-7C-1, §18-7C-2, §18-7C-3, §18-7C-4, §18-7C-5, §18-7C-6, §18-7C-7, §18-7C-8, §18-7C-9, §18-7C-10, §18-7C-11, §18-7C-12, §18-7C-13, and §18-7C-14 of the Code of West Virginia, 1931, as amended; to amend and reenact §18-7A-14, §18-7A-18, §18-7A-34 and §18-7A-40 of said code; to amend and reenact §18-7B-7, §18-7B-7a and §18-7B-8 of said code; and to amend said code by adding thereto a new article, designated §18-7D-1, §18-7D-2, §18-7D-3, §18-7D-4, §18-7D-5, §18-7D-6, §18-7D-7, §18-7D-8, §18-7D-9, §18-7D-10, and §18-7D-11, all relating to the State Teachers Retirement System and the Teachers’ Defined Contribution System generally; relating to the voluntary transfer of assets from the Teachers’ Defined Contribution Retirement System to the State Teachers Retirement System; computing teachers’ service; authorizing certain loans; providing legislative findings and purpose; providing definitions; providing opportunities for members of the State Teachers’ Defined Contribution Retirement System to affirmatively elect to transfer their assets to the State Teacher’s Retirement System; establishing requirements and processes for members to affirmatively elect to transfer; providing responsibilities of the Consolidated
Public Retirement Board; setting forth dates and time periods for members to affirmatively elect to transfer; providing for education about the opportunity to affirmatively elect to transfer; requiring notice to members; allowing Consolidated Public Retirement Board to contract directly for professional services for purposes of performing its responsibilities related to the voluntary transfer; providing for voluntary transfer from the Teachers Defined Contribution Retirement System to the State Teachers Retirement System if sixty-five percent or more of the actively contributing members affirmatively elect to transfer; providing for transfer of assets from the Teachers Defined Contribution Retirement System to the State Teachers Retirement System upon the affirmative election of sixty-five percent or more of the actively contributing members; providing for service credit in the State Teachers Retirement System; permitting transferring members to pay an Actuarial Reserve in order to receive full credit upon transfer if at least sixty-five percent but less than seventy-five percent of actively contributing members affirmatively elect to transfer; permitting transferring members to pay a one and one-half percent contribution plus interest in order to receive full credit upon transfer if seventy-five percent or more of actively contributing members affirmatively elect to transfer; addressing withdrawals and cash outs; addressing qualified domestic relations orders; providing for vesting and minimum guarantees of benefits for members affirmatively electing to transfer; and prohibiting retirement without appropriate notice.

*Be it enacted by the Legislature of West Virginia:*

That §18-7C-1, §18-7C-2, §18-7C-3, §18-7C-4, §18-7C-5, §18-7C-6, §18-7C-7, §18-7C-8, §18-7C-9, §18-7C-10, §18-7C-11, §18-7C-12, §18-7C-13, and §18-7C-14 of the Code of West Virginia, 1931, as amended, be repealed; that §18-7A-14, §18-7A-18, §18-7A-34 and §18-7A-40 of said code be amended and reenacted; that §18-7B-7, §18-7B-7a and §18-7B-8 of said code be amended and
reenacted; and that said code be amended by adding thereto a new article, designated §18-7D-1, §18-7D-2, §18-7D-3, §18-7D-4, §18-7D-5, §18-7D-6, §18-7D-7, §18-7D-8, §18-7D-9, §18-7D-10, and §18-7D-11, all to read as follows:

ARTICLE 7A. STATE TEACHERS RETIREMENT SYSTEM.

§18-7A-14. Contributions by members; contributions by employers.

(a) At the end of each month every member of the retirement system shall contribute six percent of that member's monthly gross salary to the retirement board: Provided, That any member employed by a state institution of higher education shall contribute on the member's full earnable compensation, unless otherwise provided in section fourteen-a of this article. The sums are due the Teachers Retirement System at the end of each calendar month in arrears and shall be paid not later than fifteen days following the end of the calendar month. Each remittance shall be accompanied by a detailed summary of the sums withheld from the compensation of each member for that month on forms, either paper or electronic, provided by the Teachers Retirement System for that purpose.

(b) Annually, the contributions of each member shall be credited to the member's account in the Teachers Retirement System Fund. The contributions shall be deducted from the salaries of the members as prescribed in this section and every member shall be considered to have given consent to the deductions. No deductions, however, shall be made from the earnable compensation of any member who retired because of age or service and then resumed service unless as provided in section thirteen-a of this article.

(c) The aggregate of employer contributions, due and payable under this article, shall equal annually the total
deductions from the gross salary of members required by this section. Beginning the first day of July, one thousand nine hundred ninety-four, the rate shall be seven and one-half percent; beginning on the first day of July, one thousand nine hundred ninety-five, the rate shall be nine percent; beginning on the first day of July, one thousand nine hundred ninety-six, the rate shall be ten and one-half percent; beginning on the first day of July, one thousand nine hundred ninety-seven, the rate shall be twelve percent; beginning on the first day of July, one thousand nine hundred ninety-eight, the rate shall be thirteen and one-half percent; and beginning on the first day of July, one thousand nine hundred ninety-nine and thereafter, the rate shall be fifteen percent: Provided, That the rate shall be seven and one-half percent for any individual who becomes a member of the Teachers Retirement System for the first time on or after the first day of July, two thousand five, or any individual who becomes a member of the Teachers Retirement System as a result of the voluntary transfer contemplated in article seven-d of this chapter.

(d) Payment by an employer to a member of the sum specified in the employment contract minus the amount of the employee's deductions shall be considered to be a full discharge of the employer's contractual obligation as to earnable compensation.

(e) Each contributor shall file with the retirement board or with the employer to be forwarded to the retirement board an enrollment form showing the contributor's date of birth and other data needed by the retirement board.

§18-7A-18. Teachers Employers Contribution Collection Account; Teachers Retirement System Fund; transfers.

(a) There is hereby created in the State Treasury a special revenue account designated the “Teachers Employers
Contribution Collection Account” to be administered by the Consolidated Public Retirement Board. The Teachers Employers Contribution Collection Account shall be an interest-bearing account with interest credited to and deposited in the account and transferred in accordance with the provisions of this section.

(b) There shall be deposited into the Teachers Employers Contribution Collection Account the following:

(1) Contributions of employers, through state appropriations, and such amounts shall be included in the budget bill submitted annually by the Governor;

(2) Beginning on the first day of July, two-thousand five, contributions from each county in an amount equal to fifteen percent of all salary paid in excess of that authorized for minimum salaries in sections two and eight-a, article four, chapter eighteen-a of this code and any salary equity authorized in section five of said article or any county supplement equal to the amount distributed for salary equity among the counties for each individual who was a member of the Teachers’ Retirement System before the first day of July, two-thousand five: Provided, That the rate shall be seven and one-half percent for any individual who becomes a member of the Teachers Retirement System for the first time on or after the first day of July, two-thousand five or any individual who becomes a member of the Teachers’ Retirement System as a result of the transfer contemplated in article seven-d of this chapter;

(3) The amounts transferred pursuant to section eighteen-a of this article; and

(4) Any other moneys, available and not otherwise expended, which may be appropriated or transferred to this account.
(c) Moneys on deposit in the Teacher Employers Contribution Collection Account shall be transferred monthly in the following order:

(1) To the Teachers' Retirement System Fund the amount certified by the Consolidated Public Retirement Board as the actuarially required contribution; and

(2) The balance, if any, to the Employee Pension and Health Care Benefits Fund established under section thirty-nine, article seven-a of this chapter.

(d) There is hereby continued in the State Treasury a separate irrevocable trust designated the Teachers' Retirement System Fund. The Teachers' Retirement System Fund shall be invested as provided in section nine-a, article six, chapter twelve of this code.

(e) There shall be deposited into the Teachers' Retirement System Fund, the following:

(1) Moneys transferred from the Teachers Employers Contribution Collection Account;

(2) Member contributions provided for in section fifteen of this article;

(3) Gifts and bequests to the fund and any accretions and accumulations which may properly be paid into and become a part of the fund;

(4) Specific appropriations to the fund made by the Legislature;

(5) Interest on the investment of any part or parts of the fund; and
(6) Any other moneys, available and not otherwise expended, which may be appropriated or transferred to the Teachers Retirement System or the Fund.

(f) The Teachers Retirement System Fund shall be the fund from which annuities shall be paid.

(g) The Consolidated Public Retirement Board has sole authority to direct and approve the making of any and all fund transfers as provided in this section, anything in this code to the contrary notwithstanding.

(h) References in the code to the Teachers Accumulation Fund, the Employers Accumulation Fund, the Benefit Fund, the Reserve Fund and the Expense Fund mean the Teachers Retirement System Fund.

§18-7A-34. Loans to members.

(a) An actively contributing member of the retirement system upon written application may borrow from his or her individual account in the Teachers Retirement System, subject to these restrictions:

   (1) Loans shall be made in multiples of ten dollars, the minimal loan being one hundred dollars and the maximum being eight thousand dollars: Provided, That the maximum amount of any loan when added to the outstanding balance of all other loans shall not exceed the lesser of the following: (A) Eight thousand dollars reduced by the excess (if any) of the highest outstanding balance of loans during the one-year period ending on the day before the date on which the loan is made, over the outstanding balance of loans to the member on the date on which the loan is made; or (B) fifty percent of the member's contributions to his or her individual account in the Teachers Retirement System: Provided, however, That
if the total amount of loaned money outstanding exceeds forty million dollars, the maximum shall not exceed three thousand dollars until the Retirement Board determines that loans outstanding have been reduced to an extent that additional loan amounts are again authorized: Provided further, That the amount of any loan made pursuant to article seven-d of this chapter is not included for the purposes of determining if the forty million dollar threshold has been exceeded.

(2) Interest charged on the amount of the loan shall be six percent per annum, or a higher rate as set by the Board: Provided. That interest charged shall be commercially reasonable in accordance with the provisions of section 72(p)(2) of the Internal Revenue Code, and the federal regulations issued thereunder. If repayable in installments, the interest shall not exceed the annual rate so established upon the principal amount of the loan, for the entire period of the loan, and such charge shall be added to the principal amount of the loan. The minimal interest charge shall be for six months.

(3) No member is eligible for more than one outstanding loan at any time: Provided, That the foregoing provision does not apply to any loan made pursuant to article seven-d of this chapter. Upon full payment of a loan, a member may apply for a subsequent loan after sixty days beginning the first day of the month following receipt of final payment.

(4) If a refund is payable to the borrower or his or her beneficiary before he or she repays the loan with interest, the balance due with interest to date shall be deducted from the refund.

(5) From his or her monthly salary as a teacher or a nonteacher the member shall pay the loan and interest by
deductions which will pay the loan and interest in substantially level payments in not more than sixty nor less than six months. Upon notice of loan granted and payment due, the employer is responsible for making the salary deductions and reporting them to the Retirement Board. At the option of the board, loan deductions may be collected as prescribed herein for the collection of members’ contribution, or may be collected through issuance of warrant by employer. If the borrower is no longer employed as a teacher or nonteaching member, the borrower must make monthly loan payments directly to the Consolidated Public Retirement Board and the Board must accept the payments.

(6) The entire unpaid balance of any loan, and interest due thereon, shall, at the option of the board, become due and payable without further notice or demand upon the occurrence with respect to the borrowing member of any of the following events of default: (A) Any payment of principal and accrued interest on a loan remains unpaid after it becomes due and payable under the terms of the loan or after the grace period established in the discretion of the Board; (B) the borrowing member attempts to make an assignment for the benefit of creditors of his or her refund or benefit under the retirement system; or (C) any other event of default set forth in rules promulgated by the board in accordance with the authority granted pursuant to section one, article ten-d, chapter five of this code: Provided, That any refund or offset of an unpaid loan balance shall be made only at the time the member is entitled to receive a distribution under the retirement system.

(7) Loans shall be evidenced by such form of obligations and shall be made upon such additional terms as to default, prepayment, security, and otherwise as the board determines.

(8) Notwithstanding anything herein to the contrary, the loan program authorized by this section shall comply with the
provisions of Section 72(p)(2) and Section 401 of the Internal
Revenue Code, and the federal regulations issued thereunder,
and accordingly, the Retirement Board is authorized to: (A)
apply and construe the provisions of this section and
administer the plan loan program in such a manner as to
comply with the provisions of Section 72(p)(2) and Section
401 of the Internal Revenue Code and the federal regulations
issued thereunder; (B) adopt plan loan policies or procedures
consistent with these federal law provisions; and (C) take
such actions as it deems necessary or appropriate to
administer the plan loan program created hereunder in
accordance with these federal law provisions. The
Retirement Board is further authorized in connection with the
plan loan program to take any actions that may at any time be
required by the Internal Revenue Service regarding
compliance with the requirements of Section 72(p)(2) or
Section 401 of the Internal Revenue Code, and the federal
regulations issued thereunder, notwithstanding any provision
in this article to the contrary.

(b) Notwithstanding anything in this article to the
contrary, the loan program authorized by this section shall
not be available to any teacher or nonteacher who becomes
a member of the Teachers Retirement System on or after the
first day of July, two thousand five: Provided, That a
member is eligible for a loan under article seven-d of this
chapter to pay all or part of the Actuarial Reserve, or if
available in accordance with the provisions of subsection (d),
section six, article seven-d of this chapter, the one and one-
half percent contribution for service in the Teachers’ Defined
Contribution System for the purpose of receiving additional
service credit in the State Teachers Retirement System
pursuant to section six, article seven-d, of this chapter.

Nothing in this article or article seven-b of this chapter shall be construed:

(1) To be in conflict with section four-a, article twenty-three, chapter eighteen of this code; or

(2) To affect the membership of higher education employees who are currently members of either the State Teachers Retirement System created in this article or the Teachers' Defined Contribution Retirement System created in article seven-b of this chapter: Provided, That any higher education employees who are currently members of the Teachers' Defined Contribution Retirement System may become members of the Teachers Retirement System upon meeting the requirements of article seven-d of this chapter.

ARTICLE 7B. TEACHERS' DEFINED CONTRIBUTION RETIREMENT SYSTEM.

§18-7B-7. Participation in Teachers' Defined Contribution Retirement System; limiting participation in existing Teachers Retirement System.

(a) Beginning the first day of July, one thousand nine hundred ninety-one, and except as provided in this section, the Teachers' Defined Contribution Retirement System shall be the single retirement program for all new employees whose employment commences on or after that date and all new employees shall be required to participate. No additional new employees except as may be provided in this section may be admitted to the existing Teachers Retirement System.

(b) Members of the existing Teachers Retirement System whose employment continues beyond the first day of July, one thousand nine hundred ninety-one, and those whose
employment was terminated after the thirtieth day of June, one thousand nine hundred ninety-one, under a reduction in force are not affected by subsection (a) of this section and shall continue to contribute to and participate in the existing Teachers Retirement System without a change in plan provisions or benefits.

(c) Any person who was previously a member of the Teachers Retirement System and who left participating employment before the creation of the Teachers' Defined Contribution Retirement System on the first day of July, one thousand nine hundred ninety-one, and who later returns to participating employment after the effective date of this section shall return to the existing Teachers Retirement System.

(d) Any person who was, prior to the first day of July, one thousand nine hundred ninety-one, a member of the existing Teachers Retirement System who left participating employment before the creation of the Teachers' Defined Contribution Retirement System on the first day of July, one thousand nine hundred ninety-one, and who later returned to participating employment after that date and who was precluded from returning to the existing Teachers Retirement System as a result of prior provisions of this section, may become a member of the Teachers Retirement System upon meeting the requirements provided in article seven-d of this chapter.

(e) Any employee whose employment with an employer was suspended or terminated while he or she served as an officer with a statewide professional teaching association, is eligible for readmission to the existing retirement system in which he or she was a member.

(f) An employee whose employment with an employer or an existing employer is suspended as a result of an approved
leave of absence, approved maternity or paternity break in service or any other approved break in service authorized by the Board is eligible for readmission to the existing retirement system in which he or she was a member.

(g) In all cases in which a question exists as to the right of an employee to readmission to membership in the existing Teachers Retirement System, the Consolidated Public Retirement Board shall decide the question.

(h) Any individual who is not a "member" or "employee" as defined by section two of this article and any individual who is a leased employee is not eligible to participate in the Teachers’ Defined Contribution Retirement System. For purposes of this section, a "leased" employee means any individual who performs services as an independent contractor or pursuant to an agreement with an employee leasing organization or other similar organization. In all cases in which a question exists as to whether an individual is eligible for membership in this system, the Consolidated Public Retirement Board shall decide the question.

(i) Effective the first day of July, two thousand five and continuing through the first day of two thousand six, any employee of River Valley Child Development Services, Inc., who is a member of the Teachers’ Defined Contribution Retirement System may elect to withdraw from membership and join the private pension plan provided by River Valley Child Development Services, Inc.

(j) River Valley Child Development Services, Inc., and its successors in interest shall provide for their employees a pension plan in lieu of the Teachers’ Defined Contribution Retirement System on or before the first day of July, two thousand five, and continuing thereafter during the existence of the River Valley Child Development Services, Inc., and its
successors in interest. All new employees hired after the thirtieth
day of June, two thousand five, shall participate in the pension plan in lieu of the Teachers’ Defined Contribution Retirement System.

(k) The administrative body of River Valley Child Development Services, Inc., shall, on or before the first day of June, two thousand five, give written notice to each employee who is a member of the Teachers’ Defined Contribution Retirement System of the option to withdraw from or remain in the system. The notice shall include a copy of this section and a statement explaining the member’s options regarding membership. The notice shall include a statement in plain language giving a full explanation and actuarial projection figures, prepared by an independent actuary, in support of the explanation regarding the individual member’s current account balance, vested and nonvested, and his or her projected return upon remaining in the Teacher’s Defined Contribution Retirement System until retirement, disability or death, in comparison with the projected return upon withdrawing from the Teachers’ Defined Contribution Retirement System and joining a private pension plan provided by River Valley Child Development Center, Inc., and remaining therein until retirement, disability or death. The administrative body shall keep in its records a permanent record of each employee’s signature confirming receipt of the notice.

§18-7B-7a. Plan closed to persons employed for the first time after June, 2005; former employees.

The retirement system created and established in this article shall be closed and no new members accepted in the system after the thirtieth day of June, two thousand five. Notwithstanding the provisions of sections seven and eight of this article, all persons who are regularly employed for full-
time service as a member or an employee whose initial employment commences after the thirtieth day of June, two thousand five, shall become a member of the State Teachers’ Retirement System created and established in article seven-a of this chapter. Provided, That any person rehired after the thirtieth day of June, two thousand five, shall become a member of the Teachers’ Defined Contribution Retirement System created and established in this article, or of the Teachers Retirement System created and established in article seven-a of this chapter, depending upon which system he or she last contributed to while he or she was employed with an employer mandating membership and contributions to one of those plans: Provided, however, That a rehired person who thereby becomes a member of the Teachers’ Defined Contribution Retirement System may become a member of the Teachers Retirement System within the applicable time periods and upon meeting the requirements provided in article seven-d of this chapter.

§18-7B-8. Voluntary participation in system; expiration of right to elect membership in defined contribution system.

(1) Any employee who is a member of the existing retirement system may, upon written election, voluntarily elect membership in the Teachers’ Defined Contribution Retirement System, on a prospective basis, on or after the first day of July, one thousand nine hundred ninety-one. All benefits earned by any employee making a voluntary election under the existing retirement system prior to the voluntary election shall be frozen and made available to that employee upon retirement as provided by the existing retirement system. A member of the existing retirement system who has less than five years of contributing service in the existing retirement system may elect to withdraw his or her contribution plus interest thereon as if the member is
terminating employment and upon withdrawal shall deposit
the funds in the defined contribution system: Provided, That
the member's years of contributing service in the existing
system shall be applied toward the years of employment
service required under section eleven of this article:
Provided, however, That this election is allowed on a
retroactive basis to the first day of July, one thousand nine
hundred ninety-one. For the purposes of this section,
"frozen" means that the member's salary, years of service and
any other factor to determine benefits shall be calculated as
of the date that the member elected membership in the
defined contribution system and after that date no increase in
salary, years of service or any other factor may be used to
increase the retirement benefit above that which it would be
if a person retired upon the date that the election is made.
After having made the election, the employee may not
change such election or again become a member of the
existing retirement system.

(2) Notwithstanding any provision of this section to the
contrary, after the thirtieth day of June, two thousand five, no
person who is a member of the State Teachers Retirement
System may elect membership in the Teachers' Defined
Contribution Retirement System.

ARTICLE 7D. VOLUNTARY TRANSFER FROM
TEACHERS' DEFINED
CONTRIBUTION RETIREMENT
SYSTEM TO STATE TEACHERS
RETIREMENT SYSTEM.

§18-7D-1. Legislative findings and purpose.

a) The Legislature hereby finds and declares as follows:
(1) That the quality of this state's education system is largely dependent upon the quality of its teachers and educational service personnel;

(2) That many West Virginia teachers and education service personnel who currently are members of the Teachers' Defined Contribution Retirement System desire to join a defined benefit system, which relieves participants of bearing the risk of investment performance and offers the security of providing participants with advanced knowledge of their anticipated retirement benefit;

(3) That other members of the Teachers' Defined Contribution Retirement System remain comfortable with bearing the attendant market risks and performance of their investments associated with managing the individual retirement accounts of that system;

(4) That it is in the best interests of the teachers and education service personnel in this state, as well as the state's system of public education as a whole, to permit members of the Teachers' Defined Contribution Retirement System to voluntarily elect membership in the State Teachers Retirement System pursuant to the provisions of this article; and

(5) That the prudent and fiscally sound management of the State Teachers Retirement System necessitates that a sufficient number of members of the Teachers' Defined Contribution Retirement System elect to voluntarily transfer their assets to the State Teachers Retirement System in accordance with the provisions of this article.

§18-7D-2. Definitions.
As used in this article, unless the context clearly requires a different meaning:

1. "Actively contributing member of the Teachers' Defined Contribution Retirement System" means a member of that retirement system who was actively contributing to the Teachers' Defined Contribution Retirement System on the thirty-first day of December, two thousand seven.

2. "Actuarial Reserve" means the Actuarial Reserve Lump Sum Value of the additional service credit being purchased by a member so electing in accordance with the provisions of section six of this article.

3. "Actuarial Reserve Adjusted Salary" means either:
   
   A) For a member with a full year service credit in the fiscal year ending the thirtieth day of June, two thousand seven, the member's two thousand seven fiscal year salary increased by seven percent;

   B) For a member with less than a full year service credit in the fiscal year ending the thirtieth day of June, two thousand seven, the member's two thousand seven fiscal year salary annualized to a full year based on the partial year service credit increased by seven percent; or

   C) For a member without service credit in the fiscal year ending the thirtieth day of June, two thousand seven, the member's annualized contract salary in effect on the thirty-first day of December, two thousand seven increased by seven percent, or the member's annual contract salary on the date of rehire if after the thirty-first day of December, two thousand seven.

4. "Actuarial Reserve Benefit Date" means the first day of the month coincident with or next following the date at
which the member attains the age of sixty, or the thirtieth day
of June, two thousand nine, whichever is later.

(5) "Actuarial Reserve Benefit Date Factors" mean the
actuarial lump sum value factors based on a life only annuity
starting on the Actuarial Reserve Benefit Date applying the
1983 Group Annuity Mortality Tables on a seventy-five
percent female and a twenty-five percent male blended
Unisex basis and interest at seven and one-half percent.

(6) "Actuarial Reserve Discount Factor" means the
annual discount factor applied for the period between the
thirtieth day of June, two thousand nine and the Actuarial
Reserve Benefit Date, if any. Such factor based on the State
Teachers Retirement System actuarial valuation assumptions
shall estimate the impact of mortality, disability, and
economic factors for such discount period by application of
a net four percent discount rate.

(7) "Actuarial Reserve Lump Sum Value" means a single
sum amount calculated as: A benefit of two percent
multiplied by the Defined Contribution Retirement System
service credit being purchased multiplied by the Actuarial
Reserve Adjusted Salary; such benefit multiplied by the
Actuarial Reserve Benefit Date Factors to determine the lump
sum value multiplied by the Actuarial Reserve Discount
Factor.

(8) "Affirmatively elect to transfer" means the voluntary
execution and delivery to the Consolidated Public Retirement
Board, by a member of the Teachers' Defined Contribution
Retirement System of a document in a form prescribed by the
board that irrevocably authorizes the board to transfer the
member and all the member's assets in the Teachers' Defined
Contribution Retirement System to the State Teachers
Retirement System: Provided, That delivery of the document
to the Consolidated Public Retirement Board may be accomplished through submission of the document to the supervisor of a work site pursuant to section seven of this article: Provided, however, That any previous member of the State Teachers Retirement System who voluntarily elected to terminate his or her membership in the State Teachers Retirement System to become a member of the Teachers' Defined Contribution Retirement System and signed an irrevocable transfer request also may affirmatively elect to transfer notwithstanding the prior transfer request.

(9) "Assets" means all member contributions and employer contributions made on the member's behalf to the Defined Contribution Retirement System and earnings thereon, less any applicable fees as approved by the board: Provided, That if a member has withdrawn or cashed out any amounts, the amounts must have been repaid.

(10) "Board" means the Consolidated Public Retirement Board established in article ten-d, chapter five of this code, and its employees.

(11) "Date of transfer" means, in the event that sixty-five percent or more of the actively contributing members of the Defined Contribution Retirement System affirmatively elect to transfer to the State Teachers Retirement System within the period provided in section seven of this article, the first day of July, two thousand eight.

(12) "Defined Contribution Retirement System" means the Teachers' Defined Contribution Retirement System established in article seven-b of this chapter.

(13) "Member" means any person who has an account balance standing to his or her credit in the Teachers' Defined Contribution Retirement System.
(14) "Salary" means:

(A) For a member contributing to the Defined Contribution Retirement System during the two thousand seven fiscal year, the actual salary earned for the two thousand seven fiscal year divided by the employment service earned in the two thousand seven fiscal year.

(B) For a member not contributing to the Defined Contribution Retirement System during the two thousand seven fiscal year, the contract salary on the date of rehire.

(15) "State Teachers Retirement System" means the State Teachers Retirement System established in article seven-a of this chapter.

§ 18-70-3. Voluntary transfers.

(a) In accordance with the provisions of this article, the Consolidated Public Retirement Board shall effect the voluntary transfer of members of the Teachers' Defined Contribution Retirement System to the State Teachers Retirement System.

(b) If at least sixty-five percent of actively contributing members of the Teachers' Defined Contribution System affirmatively elect to transfer to the State Teachers Retirement System within the period provided in section seven of this article, then the Consolidated Public Retirement Board shall transfer to the State Teachers Retirement System, effective the first day of July, two thousand eight, all members who affirmatively elected to do so during that period. If at least sixty-five percent of actively contributing members of the Teachers' Defined Contribution Retirement System do not affirmatively elect to transfer to the State Teachers Retirement System within that period, the Defined
Contribution Retirement System continues as the retirement system for all members in that system as of the thirtieth day of June, two thousand eight.

§18-7D-4. Notice, education, record-keeping requirements.

(a) Commencing not later than the first day of April, two thousand eight, the board shall begin an educational program with respect to the voluntary transfer of actively contributing members of the Teachers' Defined Contribution Retirement System and their assets to the State Teachers Retirement System.

(1) This educational program shall address, at a minimum:

(A) The law providing for the transfer;

(B) The mechanics of the transfer;

(C) The process by which an actively contributing member may affirmatively elect to transfer;

(D) Relevant dates and time periods;

(E) The benefits, potential advantages and potential disadvantages if members fail or refuse to affirmatively elect to transfer;

(F) The benefits, potential advantages and potential disadvantages of becoming a member of the State Teachers Retirement System;

(G) Potential state and federal tax implications attendant to the various options available to the members;
(H) For each member, a summary to include his or her most recent account balance; the average rate of return of the Standard and Poor’s and the Lehman U. S. Corporate/Government Index for the previous ten years; the average rate of return of an indexed balanced fund for the previous ten years; the member’s projected account balance if he or she retires at age sixty and age sixty-five; the current cost of purchasing a monthly annuity under the Teachers’ Defined Contribution Retirement System; the monthly annuity that the member would receive under the Teachers Retirement System if the member chooses to purchase the full service credit and retire at age sixty and age sixty-five; the monthly annuity under the Teachers Retirement System if the participant chooses not to purchase the full service credit and retires at age sixty and age sixty-five, and the potential cost to the member of purchasing the Actuarial Reserve or the one and one-half percent contribution plus accrued interest, as the case may be, not including the cost of obtaining a loan under section five of this article.

(I) Any other pertinent information considered relevant by the board.

(2) The board shall disseminate the information through:

(A) Its website;

(B) Computer programs;

(C) Written or electronic materials, or both;

(D) Classes or seminars, pursuant to subdivision (3) of this subsection;

(E) At the discretion of the board, through a program of individual counseling which is optional on the part of the member; and
(F) Through any other educational program considered necessary by the board.

(3) The Consolidated Public Retirement Board shall provide the information set forth in subdivision (1) of this subsection through classes or seminars in accordance with the following:

(A) The Consolidated Public Retirement Board shall provide training for conducting the classes or seminars for employees of county boards, for employees of state institutions of higher education or for any other person that the county board or the institution of higher learning determines, with the approval of the Consolidated Public Retirement Board, would be appropriate to conduct the classes or seminars;

(B) Each county board shall require at least two representatives to attend the training. The representatives must be approved by the Consolidated Public Retirement Board prior to attending the Board’s training class;

(C) Each county board shall ensure that each employee of that county board who is a member of the Teachers’ Defined Contribution Retirement System has had an opportunity to attend a class or a seminar on the topics set forth in subdivision (1) of this subsection at his or her workplace during his or her workday;

(D) The class or seminar shall be conducted by any person who attended the training or by a representative of a school personnel organization that the Consolidated Public Retirement Board considers qualified to conduct the class or seminar;

(E) The classes or seminars may be conducted at the time allocated for professional activities for teachers on
instructional support and enhancement days, before school, after school and at any other time during an employee's work day: Provided, That the classes or seminars may interfere with instructional time only if no other time is available to conduct the classes or seminars;

(F) Each county board shall ensure that informational booths are set up at each work site under the jurisdiction of the county board and that the booths are attended on a rotating basis by an person trained to conduct the classes or seminars or by a representative of a school personnel organization that the Consolidated Public Retirement Board considers qualified to attend the booth;

(G) During the period provided by this section for the educational program, each county board and its superintendent shall allow representatives of the Consolidated Public Retirement Board entry upon the premises of each school in this state where the Consolidated Public Retirement Board determines appropriate on at least one occasion for the duration of at least sixty minutes during regular school hours to provide educational programs as the Consolidated Public Retirement Board determines appropriate for members of the Teachers' Defined Contribution Retirement System;

(b) The board shall provide each actively contributing member with a copy of the written or electronic educational materials and with a copy of the notice of the opportunity to affirmatively elect to transfer, to the extent deliverable, by mailing a copy thereof, first class postage prepaid, through the United States mails to the most current mailing address provided by the member to the board. The board is not required to deliver, nor is any member entitled to delivery of, these materials by any other means. The notice shall provide full and appropriate disclosure regarding the process by
which a member may affirmatively elect to transfer, including the period of the opportunity to affirmatively elect to transfer.

(c) It is the responsibility of each member of the Teachers' Defined Contribution Retirement System to keep the board informed of his or her current address. A member who does not is considered to have waived his or her right to receive any information from the board with respect to the purposes of this article.

(d) Once the board has complied with the provisions of this section, each actively contributing member of the Teachers' Defined Contribution Retirement System is considered to have actual notice of the opportunity to affirmatively elect to transfer and all matters pertinent thereto.

(e) The executive director of the Consolidated Public Retirement Board shall report to the Governor, the President of the Senate, and the Speaker of the House of Delegates no later than April 1, two thousand eight, a plan for the execution of the education and outreach requirements set forth in this section.

§18-7D-5. Conversion of assets from Defined Contribution Retirement System to State Teachers Retirement System; contributions; loans.

(a) If at least sixty-five percent of actively contributing members of the Teachers' Defined Contribution Retirement System affirmatively elect to transfer to the State Teachers Retirement System within the period provided in section seven of this article, then the Consolidated Public Retirement Board shall transfer the members and all properties held in the Teachers' Defined Contribution Retirement System's
Trust Fund in trust for those members who affirmatively elected to do so during that period to the State Teachers Retirement System, effective on the first day of July, two thousand eight.

(b) The board shall make available to each member a loan for the purpose of paying all or part of the Actuarial Reserve, or if available in accordance with the provisions of subsection (d), section six of this article, the one and one-half percent contribution for service in the Teachers' Defined Contribution System to receive additional service credit in the State Teachers Retirement System for service in the Teachers' Defined Contribution Retirement System pursuant to section six of this article. The loan shall be offered in accordance with the provisions of section thirty-four, article seven-a of this chapter.

(1) Notwithstanding any provision of this code, rule or policy of the board to the contrary, the interest rate on any loan may not exceed seven and one-half percent per annum. The total amount borrowed may not exceed forty thousand dollars: Provided, That the loan may not exceed the limitations of the Internal Revenue Code Section 72(p).

(2) In the event a loan made pursuant to this section is used to pay the Actuarial Reserve or the one and one-half percent contribution, as the case may be, the board shall make any necessary adjustments at the time the loan is made.

(3) The board shall make this loan available until the thirtieth day of June, two thousand nine.

(c) The board shall develop and institute a payroll deduction program for repayment of the loan established in this section.
(d) If at least sixty-five percent of actively contributing members of the Teachers' Defined Contribution Retirement System affirmatively elect to transfer to the State Teachers Retirement System within the period provided in section seven of this article:

(1) As of the first day of July, two thousand eight, the transferred members' contribution rate becomes six percent of his or her salary or wages; and

(2) All transferred members who work one hour or more and who make a contribution into the State Teachers Retirement System on or after the first day of July, two thousand eight, are governed by the provisions of article seven-a of this chapter, subject to the provisions of this article.

(e) Subject to the provisions of subdivision (1) of this subsection, if a member has withdrawn or cashed out part of his or her assets, that member will not receive credit for those moneys cashed out or withdrawn. The board shall make a determination as to the amount of credit a member loses based on the periods of time and the amounts he or she has withdrawn or cashed out, which shall be expressed as a loss of service credit.

(1) A member may repay those amounts he or she previously cashed out or withdrew, along with interest as determined by the board, and receive the same credit as if the withdrawal or cash-out never occurred. To receive full credit for the cashed-out or withdrawn amounts being repaid to the State Teachers Retirement System, the member also shall pay the actuarial reserve, or the one and one-half percent contribution, as the case may be, pursuant to section six of this article.
(2) The loan provided in this section is not available to members to repay previously cashed out or withdrawn moneys.

(3) If the repayment occurs five or more years following the cash-out or withdrawal, the member also shall repay any forfeited employer contribution account balance along with interest determined by the board.

(f) Notwithstanding any provision of subsection (e) to the contrary, if a member has cashed out or withdrawn any of his or her assets after the last day of June, two thousand three, and that member chooses to repurchase that service after the thirtieth day of June, two thousand eight, the member shall repay the previously distributed amounts and any applicable interest to the State Teachers Retirement System.

(g) Any service in the State Teachers Retirement System a member has before the date of the transfer is not affected by the provisions of this article.

(h) The board shall take all necessary steps to see that the voluntary transfers of persons and assets authorized by this article do not affect the qualified status with the Internal Revenue Service of either retirement plan.

§18-7D-6. Service credit in State Teachers Retirement System following transfer; conversion of assets; adjustments.

(a) Any member who has affirmatively elected to transfer to the State Teachers Retirement System within the period provided in section seven of this article whose assets have been transferred from the Teachers’ Defined Contribution Retirement System to the State Teachers Retirement System pursuant to the provisions of this article
and who has not made any withdrawals or cash-outs from his or her assets is, depending upon the percentage of actively contributing members affirmatively electing to transfer, entitled to service credit in the State Teachers Retirement System in accordance with the provisions of subsections (c) or (d) of this section.

(b) Any such member who has made withdrawals or cash outs will receive service credit based upon the amounts transferred. The board shall make the appropriate adjustment to the service credit the member will receive.

(c) If at least sixty-five percent but less than seventy-five percent of actively contributing members of the Teachers’ Defined Contribution Retirement System affirmatively elect to transfer to the State Teachers Retirement System within the period provided in section seven of this article, for any member of the Defined Contribution Retirement System who elects to transfer to the State Teachers Retirement System, his or her service credit in the State Teachers Retirement System is determined as follows:

(1) For any member affirmatively electing to transfer, the member’s State Teachers Retirement System credit shall be seventy-five percent of the member’s Teachers’ Defined Contribution Retirement System service credit, less any service previously withdrawn by the member or due to a qualified domestic relations order and not repaid;

(2) To receive full credit in the State Teachers Retirement System for service in the Teachers’ Defined Contribution Retirement System for which assets are transferred, transferring members shall have the option to pay into the State Teachers Retirement System the Actuarial Reserve, as defined in section two of this article, by no later than the thirtieth day of June, two thousand nine.
(d) If at least seventy-five percent of actively contributing members of the Teachers’ Defined Contribution Retirement System affirmatively elect to transfer to the State Teachers Retirement System within the period provided in section seven of this article, for any member of the Defined Contribution Retirement System who elects to transfer to the State Teachers Retirement System, his or her service credit in the State Teachers Retirement System is determined as follows:

(1) For any member affirmatively electing to transfer, the member’s State Teachers Retirement System credit shall be seventy-five percent of the member’s Teachers’ Defined Contribution Retirement System service credit, less any service previously withdrawn by the member or due to a qualified domestic relations order and not repaid;

(2) To receive full credit in the State Teachers Retirement System for service in the Teachers’ Defined Contribution Retirement System for which assets are transferred, members who affirmatively elected to transfer shall pay into the State Teachers Retirement System a one and one-half percent contribution. This contribution shall be calculated as one and one-half percent of the member's estimated total earnings for which assets are transferred, plus interest of four percent per annum accumulated from the date of the member’s initial participation in the Defined Contribution Retirement System.

(A) For a member contributing to the Defined Contribution Retirement System at any time during the two thousand eight fiscal year and commencing membership in the State Teachers Retirement System on the first day of July, two thousand eight:

(i) The estimated total earnings shall be calculated based on the member's salary and the member's age nearest birthday on the thirtieth day of June, two thousand eight;
(ii) This calculation shall apply both an annual backward salary scale from that date for prior years' salaries and a forward salary scale for the salary for the two thousand eight fiscal year.

(B) The calculations in paragraph (A) of this subdivision are based upon the salary scale assumption applied in the West Virginia Teachers Retirement System Actuarial Valuation as of the first day of July, two thousand seven, prepared for the Consolidated Public Retirement Board. This salary scale shall be applied regardless of breaks in service.

(e) All service previously transferred from the State Teachers Retirement System to the Teachers' Defined Contribution Retirement System is considered Teachers' Defined Contribution Retirement System service for the purposes of this article.

(f) Notwithstanding any provision of this code to the contrary, the retirement of a member who becomes eligible to retire after the member's assets are transferred to the State Teachers Retirement System pursuant to the provisions of this article may not commence prior to the first day of September, two thousand eight: Provided, That the Consolidated Public Retirement Board may not retire any member who is eligible to retire during the school year beginning two thousand eight during the school year two thousand eight unless the member has provided a written notice to his or her county board of education by the first day of July, two thousand eight, of his or her intent to retire.

§18-7D-7. Period for affirmative election to transfer; board may contract for professional services.

(a) The board shall provide the members of the Teachers’ Defined Contribution Retirement System an opportunity to
voluntarily execute and deliver to the Consolidated Public
Retirement Board, or its designee, a written document in a
form prescribed by the board that irrevocably authorizes the
board to transfer the member and all the member’s assets in
the Teachers’ Defined Contribution Retirement System to the
State Teachers Retirement System in accordance with the
provisions of this article.

(b) If at least sixty-five percent of actively contributing
members of the Teachers’ Defined Contribution Retirement
System affirmatively elect to transfer to the State Teachers
Retirement System:

(1) The Consolidated Public Retirement Board shall, for
each member who affirmatively elected to transfer as
provided in this section, transfer the assets held in the
Teachers’ Defined Contribution Retirement System’s Trust
Fund in trust for that member to the State Teachers
Retirement System on the first day of July, two thousand
eight;

(2) On the first day of July, two thousand eight, each
member who so elected becomes a member of the State
Teachers Retirement System and after working one or more
hours and contributing to the State Teachers Retirement
System is entitled to the benefits of the State Teachers
Retirement System; and

(3) Each such member is governed by the provisions of
the State Teachers Retirement System subject to the
provisions of this article.

(c) If fewer than sixty-five percent of actively
contributing members of the Teachers’ Defined Contribution
Retirement System affirmatively elect to transfer to the State
Teachers Retirement System, the transfers described in this
section shall not occur.
(d) Any person who has one dollar or more in assets in the Teachers' Defined Contribution Retirement System on the last day of December, two thousand seven, may and is eligible to affirmatively elect to transfer to the State Teachers Retirement System as provided in this section. For purposes of this article:

(1) The tabulation of the percentage required for transfer as required in this article shall only include documents affirmatively electing to transfer submitted under the provisions of this subsection by those who are actively contributing members of the Teachers' Defined Contribution Retirement System as that term is defined in section two of this article; and

(2) Notwithstanding the opportunity to submit documents affirmatively electing to transfer extended by this article to members other than those who are actively contributing members of the Teachers' Defined Contribution Retirement System, there shall be no duty or other obligation on the part of the board to provide any education, information or notice regarding matters contained in this article to members who are not actively contributing members of the Teachers' Defined Contribution Retirement System regarding any matter described in this article, nor any right on the part of those other members to receive the same.

(e) Notwithstanding any other provision of this code to the contrary, the board may do all things necessary and convenient to maintain the Teachers' Defined Contribution Retirement System and the State Teachers Retirement System during the transitional period and may retain the services of the professionals it considers necessary to do so. The board may also retain the services of professionals necessary to:
(1) Assist in the preparation of educational materials;

(2) Assist in the educational process;

(3) Assist in the process for submission of the documents whereby members may affirmatively elect to transfer; and

(4) Ensure compliance with all relevant state and federal laws.

(f) Due to the time constraints inherent in the initial processes established for the submission of documents affirmatively electing to transfer set forth in this article in specific, and due to the nature of the professional services required by the Consolidated Public Retirement Board in general, the provisions of article three, chapter five-a of this code, do not apply to any materials, contracts for any actuarial services, investment services, legal services or other professional services authorized under the provisions of this article and the provisions of article six, chapter twenty-nine do not apply to any employment of or contracting for personnel by the board for the purposes of implementing the provisions of this article.

(g) The submission of the documents whereby members may affirmatively elect to transfer may be held through any method the board determines is in the best interest of the members: Provided, That for members of the Teachers’ Defined Contribution Retirement System, the submission of the documents whereby those members elect to transfer shall be pursuant to the procedure established by the Consolidated Public Retirement Board set forth in subsection (j) of this section.

(h) The period for submission of the documents whereby members may affirmatively elect to transfer shall begin not
later than the first day of April, two thousand eight. The board shall ascertain the results of the submissions not later than the last day of May, two thousand eight. The board shall certify the results of the submissions to the Governor, the Legislature and the members not later than the fifth day of June, two thousand eight.

(i) The submission period terminates and elections to transfer may not be accepted from a member after the twelfth day of May, two thousand eight, subject to the following:

(1) If elections to transfer are permitted through the mail, any submission postmarked later than the twelfth day of May, two thousand eight, is void and may not be counted;

(2) If elections to transfer are delivered to a supervisor on selection day or on or before the ninth day of May, two thousand eight, any submission postmarked or deposited with a commercial carrier later than the thirteenth day of May, two thousand eight, is void and may not be counted: Provided, That delivery by mail must be by certified mail, return receipt requested or delivery by commercial courier that requires written confirmation by the board of delivery;

(3) The fifth day of May, two thousand eight, is selection day upon which each county board and superintendent shall provide an opportunity in each school within the county for members of the Teachers' Defined Contribution System to affirmatively elect to transfer.

(j) The Consolidated Public Retirement Board shall collaborate with the state superintendent, the Chancellor for Higher Education and the Chancellor for Community and Technical College Education to establish a procedure whereby all actively contributing members of the Teachers’ Defined Contribution Retirement System may deliver to the
Consolidated Public Retirement Board or its designee the
written document authorizing transfer through a supervisor
at each work site where any contributing member of the
Defined Contribution Retirement System is employed. The
procedure shall include at least the following:

(1) The supervisor at each work site is responsible for
collecting the written documents authorizing the transfer
from all actively contributing members of the Teachers’
Defined Contribution Retirement System employed at the
work site who choose to submit the written document. The
supervisor shall record the receipt of all written documents
authorizing transfer, shall direct the member submitting the
written document to initial a receipt log and shall issue a
receipt to the member submitting the written document.

(2) On and after the sixth day of May, two thousand
eight, but on or before the ninth day of May, two thousand
eight, the supervisor at the work site shall make reasonable
efforts to contact verbally and in writing all actively
contributing members of the Teachers’ Defined Contribution
Retirement System employed at the work site that have not
submitted their written documents as of that date to remind
those members of the upcoming deadline for submitting their
written document authorizing transfer: Provided, That failure
of the supervisor to make contact with any of those members
shall not be a basis for a cause of action to allow a member
to transfer after the period provided in this section or for any
other cause of action.

(3) The supervisor at each work site shall forward all of
the written documents to the Consolidated Public Retirement
Board, or its designee, through certified mail, or delivery by
commercial courier that requires written confirmation by the
board of delivery, no later than the thirteenth day of May,
two thousand eight. The work site supervisor shall inform
the Consolidated Public Retirement Board of all of the written documents received each day so that the board, or its designee, can record which members of the Teachers' Defined Contribution Retirement System have submitted their written documents authorizing transfer pursuant to subsection (k) of this section.

(4) For the purposes of this subdivision, the principal of a school with any of grades prekindergarten through twelve is the work site supervisor. For the purposes of this subdivision, for any work site under the jurisdiction of the Higher Education Policy Commission or the West Virginia Council for Community and Technical College Education, the human resource administrator or other designee may be considered the work site supervisor. In any case where the person who is the work site supervisor is in question, the state board, the Chancellor for Higher Education or the Chancellor for Community and Technical College Education, whichever entity has jurisdiction over the work site, shall designate the supervisor.

(5) The state board, the Chancellor for Higher Education and the Chancellor for Community and Technical College Education shall ascertain the names of all work site supervisors under their jurisdiction and transmit a list of the names of the work site supervisors to the Consolidated Public Retirement Board on or before the thirty-first day of March, two thousand eight.

(k) The Consolidated Public Retirement Board, or its designee, shall record the receipt of all written documents authorizing the transfer so that it knows the percentage of contributing members of the Teachers' Defined Contribution Retirement System that have submitted the written documents by work site and by county.
§18-7D-8. Results considered final.

Every member of the Teachers’ Defined Contribution Retirement System is considered to have made an informed, educated, knowing and voluntary decision and choice with respect to the opportunities provided by this article to transfer membership and assets to the State Teachers Retirement System. Each member who failed or refused to affirmatively elect to transfer is also considered to have made an informed, educated, knowing and voluntary decision and choice with respect thereto and is bound by the results thereof, except as may be required by federal law.

§18-7D-9. Qualified domestic relations orders.

Any transferring member having a qualified domestic relations order against his or her defined contribution account is allowed to repurchase service in the State Teachers Retirement System. The member shall repay any moneys previously distributed to the alternate payee along with the interest as set by the board. The member shall repay by the last day of June, two thousand fourteen. The provisions of this section are void and of no effect if there is no transfer from the Teachers’ Defined Contribution Retirement System to the State Teachers Retirement System. An alternate payee is not, solely as a result of that status, a member of either the Teachers’ Defined Contribution Retirement System or the State Teachers Retirement System for any purpose under the provisions of this article and no interest held by the alternate payee is transferred to the State Teachers Retirement System pursuant thereto.

§18-7D-10. Vesting.

Any member who works one hour or more after his or her assets are transferred to the State Teachers Retirement
System pursuant to this article is subject to the vesting schedule set forth in article seven-a of this chapter: Provided, That if a member is vested under the Teachers’ Defined Contribution Retirement System and his or her last contribution was not made to the State Teachers Retirement System, that member is subject to the vesting schedule set forth in article seven-b of this chapter.

§18-7D-11. Minimum guarantees.

(a) Any member of the Teachers’ Defined Contribution Retirement System who works one hour or more and who has made a contribution to the State Teachers Retirement System after his or her assets are transferred to the State Teachers Retirement System pursuant to this article, is guaranteed a minimum benefit equal to his or her member contributions plus the vested portion of employer contributions made on his or her behalf to the Teachers’ Defined Contribution Retirement System, plus any earnings thereon, as of the thirtieth day of June, two thousand eight, as stated by the board.

(b) A member of the Teachers’ Defined Contribution Retirement System who works one hour or more and who has made contributions to the State Teachers Retirement System after his or her assets are transferred to the State Teachers Retirement System, upon eligibility to receive a distribution under article seven-a of this chapter, shall have at a minimum the following three options:

(1) The right to receive an annuity from the State Teachers Retirement System based upon the provisions of article seven-a of this chapter;

(2) The right to withdraw from the State Teachers Retirement System and receive his or her member
accumulated contributions in the State Teachers Retirement System, plus refund interest thereon, as set forth in article seven-a of this chapter; or

(3) The right to withdraw and receive his or her member contributions plus the vested portion of employer contributions made on his or her behalf to the Teachers’ Defined Contribution Retirement System, plus any earnings thereon as of the date his or her assets are transferred to the State Teachers Retirement System pursuant to this article, as determined by the board pursuant to the vesting provisions of article seven-a of this chapter. This amount shall be distributed in a lump sum.

(c) Any member of the Teachers’ Defined Contribution Retirement System who does not work one hour or more and who makes no contribution to the State Teachers Retirement System after his or her assets are transferred to the State Teachers Retirement System pursuant to this article, is guaranteed the receipt of the amount in his or her total vested account in the Teachers’ Defined Contribution Retirement System on the date of the transfer, plus interest thereon, at four percent accruing from the date of the transfer. This amount shall be distributed in a lump sum: Provided, That no benefits may be obtained under this subsection solely by the reciprocity provisions of sections three, four, and six, article thirteen, chapter five of this code.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originating in the House.

In effect from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

The within is approved this the 1st day of April, 2008.

Governor