

HB 4670

FILED

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SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE
SECOND REGULAR SESSION, 2008



ENROLLED

House Bill No. 4670

(By Delegates White, Kominar and Iaquina)



Passed March 8, 2008

In Effect Ninety Days from Passage

E N R O L L E D

H. B. 4670

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OF WEST VIRGINIA
SECRETARY OF STATE

(BY DELEGATES WHITE, KOMINAR AND IAQUINTA)

[Passed March 8, 2008; in effect ninety days from passage.]

AN ACT to amend and reenact §5-16-18 of the Code of West Virginia, 1931, as amended, relating to authorizing the Public Employees Insurance Agency to charge interest to employers on amounts not paid timely.

Be it enacted by the Legislature of West Virginia:

That §5-16-18 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

**ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES
INSURANCE ACT.**

**§5-16-18. Payment of costs by employer; schedule of insurance;
special funds created; duties of Treasurer with
respect thereto.**

1 (a) All employers operating from state general revenue or
2 special revenue funds or federal funds or any combination of
3 those funds shall budget the cost of insurance coverage
4 provided by the Public Employees Insurance Agency to
5 current and retired employees of the employer as a separate
6 line item, titled "PEIA", in its respective annual budget and

7 are responsible for the transfer of funds to the director for the
8 cost of insurance for employees covered by the plan. Each
9 spending unit shall pay to the director its proportionate share
10 from each source of funds. Any agency wishing to charge
11 General Revenue Funds for insurance benefits for retirees
12 under section thirteen of this article shall provide
13 documentation to the director that the benefits cannot be paid
14 for by any special revenue account or that the retiring
15 employee has been paid solely with General Revenue Funds
16 for twelve months prior to retirement.

17 (b) If the general revenue appropriation for any employer,
18 excluding county boards of education, is insufficient to cover
19 the cost of insurance coverage for the employer's
20 participating employees, retired employees and surviving
21 dependents, the employer shall pay the remainder of the cost
22 from its "personal services" or "unclassified" line items. The
23 amount of the payments for county boards of education shall
24 be determined by the method set forth in section twenty-four,
25 article nine-a, chapter eighteen of this code: *Provided*, That
26 local excess levy funds shall be used only for the purposes
27 for which they were raised: *Provided, however*, That after
28 approval of its annual financial plan, but in no event later
29 than the thirty-first day of December of each year, the finance
30 board shall notify the Legislature and county boards of
31 education of the maximum amount of employer premiums
32 that the county boards of education shall pay for covered
33 employees during the following fiscal year.

34 (c) All other employers not operating from the state
35 General Revenue Fund shall pay to the director their share of
36 premium costs from their respective budgets. The finance
37 board shall establish the employers' share of premium costs
38 to reflect and pay the actual costs of the coverage including
39 incurred but not reported claims.

40 (d) The contribution of the other employers (namely: A
41 county, city or town) in the state; any separate corporation or
42 instrumentality established by one or more counties, cities or
43 towns, as permitted by law; any corporation or
44 instrumentality supported in most part by counties, cities or
45 towns; any public corporation charged by law with the
46 performance of a governmental function and whose
47 jurisdiction is coextensive with one or more counties, cities
48 or towns; any comprehensive community mental health
49 center or comprehensive mental retardation facility
50 established, operated or licensed by the Secretary of Health
51 and Human Resources pursuant to section one, article two-a,
52 chapter twenty-seven of this code, and which is supported in
53 part by state, county or municipal funds; and a combined
54 city-county health department created pursuant to article two,
55 chapter sixteen of this code for their employees shall be the
56 percentage of the cost of the employees' insurance package
57 as the employers determine reasonable and proper under their
58 own particular circumstances.

59 (e) The employee's proportionate share of the premium
60 or cost shall be withheld or deducted by the employer from
61 the employee's salary or wages as and when paid and the
62 sums shall be forwarded to the director with any supporting
63 data as the director may require.

64 (f) All moneys received by the Public Employees
65 Insurance Agency shall be deposited in a special fund or
66 funds as are necessary in the State Treasury and the Treasurer
67 of the state is custodian of the fund or funds and shall
68 administer the fund or funds in accordance with the
69 provisions of this article or as the director may from time to
70 time direct. The Treasurer shall pay all warrants issued by
71 the State Auditor against the fund or funds as the director
72 may direct in accordance with the provisions of this article.
73 All funds received by the agency, including, but not limited

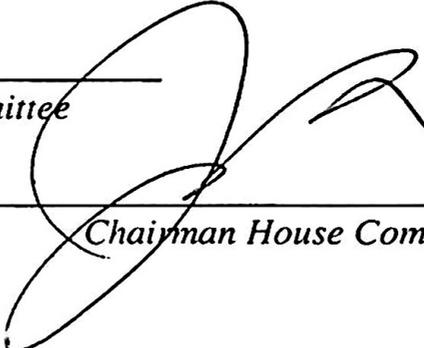
74 to. basic insurance premiums, administrative expenses and
75 optional life insurance premiums, shall be deposited, as
76 determined by the director, in any of the investment pools
77 with the West Virginia Investment Management Board,
78 including, but not limited to, the equity and fixed income
79 pools, with the interest income or other earnings a proper
80 credit to all such funds for the benefit of the Public
81 Employees Insurance Agency.

82 (g) The Public Employees Insurance Agency may recover
83 an additional interest amount from any employer that fails to
84 pay in a timely manner any premium or minimum annual
85 employer payment, as defined in article sixteen-d of this
86 chapter, which is due and payable to the Public Employees
87 Insurance Agency or the Retiree Health Benefit Trust. The
88 agency may recover the amount due plus an additional
89 amount equal to two and one half percent per annum of the
90 amount due. Accrual of interest owed by the delinquent
91 employer commences upon the thirty-first day following the
92 due date for the amount owed and shall continue until receipt
93 by the Public Employees Insurance Agency of the delinquent
94 payment. Interest shall compound every thirty days.

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



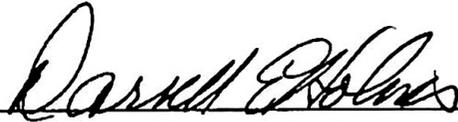
Chairman Senate Committee



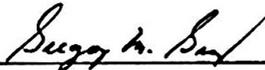
Chairman House Committee

Originating in the House.

In effect ninety days 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 31st
day of March, 2008.



Governor

PRESENTED TO THE
GOVERNOR

MAR 26 2008

Time 3:05 p