

VIRGINIA ACTS OF ASSEMBLY -- 2000 SESSION

CHAPTER 722

An Act to amend and reenact § 51.1-126 of the Code of Virginia, relating to a retirement plan for certain employees of institutions of higher education.

[S 36]

Approved April 8, 2000

Be it enacted by the General Assembly of Virginia:

1. That § 51.1-126 of the Code of Virginia is amended and reenacted as follows:

§ 51.1-126. Certain employees of institutions of higher education.

A. Any institution of higher education which has established, or establishes, a retirement plan covering in whole or in part its employees who are engaged in the performance of teaching, administrative, or research duties is hereby authorized to make contributions for the benefit of its employees who elect to participate in such plan rather than in the retirement system established by this chapter. Any present or future employee of such institution may elect to participate in either the retirement system established by this chapter or the plan provided by the institution employing him, in accordance with guidelines established by the Virginia Retirement System. The election herein provided shall, as to any future employee, be exercised not later than ninety days from the time of entry upon the performance of his duties. The University of Virginia is authorized on and after July 1, 1996, to transfer any University of Virginia Medical Center employee who is a participant in a retirement plan established pursuant to this section to any retirement plan established pursuant to § 51.1-126.3 as an alternative to the retirement system established by this chapter, provided that the employee has elected to transfer to the plan established pursuant to § 51.1-126.3. All University of Virginia Medical Center employees who are (i) first employed by the Medical Center on or after the effective date of any retirement plan established pursuant to § 51.1-126.3 and (ii) engaged in the performance of teaching, administrative or research duties, shall be afforded the retirement plan election options provided by § 51.1-126.3 rather than the election options provided by this section.

B. No employee of an institution of higher education who is an active member in a plan established under this section shall also be an active member of the retirement system or beneficiary other than a contingent annuitant.

C. 1. The contribution by the Commonwealth to such employee's retirement plan shall be 10.4 percent of creditable compensation. An institution of higher education may adopt a supplementation program for participants who, before January 1, 1991, exercise or have exercised the election to participate in the plan provided by the institution employing him as referred to in subsection A. Under such supplementation program, the institution may supplement such contribution using funds other than general funds, tuition or fees, up to an additional 2.17 percent of creditable compensation. Any employee of the University of Virginia Medical Center who participated in a retirement plan established pursuant to this section prior to the effective date of such employee's transfer to a retirement plan established under § 51.1-126.3 shall continue to receive the contribution by the Commonwealth, and any supplementation thereof by the University, at the contribution and supplementation rates which were in effect on the effective date of such transfer.

2. These contribution rates shall be examined by the Secretary of Administration prior to July 1, 1996, and at least once every six years thereafter. The Secretary shall consider the salary peer group mean contribution as determined by the State Council of Higher Education and the position of the Virginia Retirement System actuary, and, if necessary, recommend a revision to the rate of contribution by the Commonwealth.

D. The Virginia Retirement System shall develop policies and procedures, as approved by the Secretaries of Administration and Education, for the administration of all retirement plans established pursuant to this section. *To assist the Virginia Retirement System in developing such policies and procedures, the Board may appoint an advisory committee of higher education employees to supply guidance in the process.* Such policies and procedures shall not, under any circumstances, result in the elimination of any benefit program at any institution as such benefit program existed on June 30, 1991.