

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 51.1-602 of the Code of Virginia, relating to the deferred compensation*
3 *plan for employees of the Commonwealth.*

4 [H 132]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 51.1-602 of the Code of Virginia is amended and reenacted as follows:**

8 § 51.1-602. Deferred compensation plan for employees of the Commonwealth; administered by the
9 Board.

10 A. The Board shall establish and administer a deferred compensation plan for employees of the
11 Commonwealth and its agencies. The Virginia Retirement System Director shall be the chief
12 administrative officer of the plan. The Board may contract with private corporations or institutions
13 subject to the standards set forth in § 51.1-124.30 to provide investment products as well as any other
14 goods and services related to the administration of the deferred compensation plan. The Virginia
15 Retirement System is hereby authorized to perform related services including, but not limited to,
16 providing consolidated billing, individual and collective record keeping and accountings, and asset
17 purchase, control, and safekeeping. In accordance with such plan, and upon contract or agreement with
18 an eligible employee, deferrals of compensation may be accomplished by payroll deductions made by
19 the appropriate officer of the Commonwealth, with such funds being thereafter held and administered in
20 accordance with the plan. *Administrative fees related to the VRS program oversight that otherwise would*
21 *be charged to an employee participating in the plan shall be paid by the participating employer under*
22 *procedures established by the Board.*

23 B. If it deems it advisable, the Board may create a trust or other special fund for the segregation of
24 the funds or assets resulting from compensation deferred at the request of employees of the
25 Commonwealth or its agencies and for the implementation of such program.

26 C. The Department of Accounts shall be responsible for the (i) accounting and reconciliations
27 associated with state employees' contributions to the plan through payroll deductions and (ii) timely
28 transfer of withheld funds to the private corporation or institution designated by the Board pursuant to
29 subsection A. However, any state agency that has decentralized its payroll function and any political
30 subdivision of the Commonwealth participating in the plan pursuant to § 51.1-603.1 shall be responsible
31 for the (i) accounting and reconciliations associated with their employees' contributions to the plan
32 through payroll deductions and (ii) timely transfer of withheld funds to the private corporation or
33 institution designated by the Board pursuant to subsection A.

34 D. The Commonwealth, the Board of Trustees of the Virginia Retirement System, the employees of
35 the System, and the Investment Advisory Committee of the System shall not incur any liability for any
36 losses suffered by a deferred compensation plan established or administered under the authority of this
37 chapter.

ENROLLED

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