

# 2000 SESSION

INTRODUCED

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## HOUSE BILL NO. 268

Offered January 12, 2000

*A BILL to amend and reenact § 51.1-143.1 of the Code of Virginia, relating to portability of service credit between the Virginia Retirement System and certain political subdivisions of the Commonwealth.*

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Patron—Hargrove

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Referred to Committee on Appropriations

### **Be it enacted by the General Assembly of Virginia:**

#### **1. That § 51.1-143.1 of the Code of Virginia is amended and reenacted as follows:**

§ 51.1-143.1. Portability of service credit between the Virginia Retirement System and certain political subdivisions of the Commonwealth.

A. The Virginia Retirement System may enter into an agreement with any political subdivision of the Commonwealth which has a defined benefit plan that is not supplemental to the Retirement System to permit any vested member of the political subdivision's plan, upon entering service in a covered position and filing a written application with the Retirement System, to purchase service credit, of an amount to be determined by the Board of Trustees, in the Retirement System. The purchase shall be accomplished by and upon the transfer of assets to the Retirement System from the political subdivision's plan as provided in the agreement.

B. *If the amount of service transferred to the account of an employee in a covered position with the Retirement System is less than the total amount of creditable service in the employee's account with the political subdivision, then the employee shall be permitted to purchase the amount of service not transferred. The employee must pay an amount equal to five percent of his present annual compensation for each year to be credited or five percent of his average annual creditable compensation during his thirty-six highest consecutive months of creditable service, whichever is greater. Such purchase must be initiated concurrently with the transfer of the assets from the political subdivision's plan.*

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