

Virginia Retirement System

2001 Fiscal Impact Statement

1. Bill Number SB840

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Lambert

3. Committee Finance

4. Title Retirement System.

5. Summary/Purpose:

This bill was requested by the VRS Board of Trustees. The bill permits VRS to transfer member contributions paid by employers on or after July 1, 1980 to individual member accounts, provided that such contributions have been previously deposited in the employer's account.

6. No Fiscal Impact

7. Budget amendment necessary: None

8. Fiscal implications: None

9. Specific agency or political subdivisions affected: VRS

10. Technical amendment necessary: None

11. Other comments: Prior to July 1, 1980, member contributions paid by the employer were placed in the VRS employer account. In 1980, legislation was passed that allowed member contributions paid by the employer to be placed in the member account. Subsequently, legislation was passed to allow the pre-1980 contributions to be placed in the member accounts at the time of a refund due to termination of the member. Because some employer paid member contributions are still in the employer accounts, account balances in the member records are understated and cause considerable confusion. This bill will allow the VRS Board of Trustees to develop procedures to transfer the employer paid member contributions to the member accounts. This bill is the same as HB1776.

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