

2002 SESSION

INTRODUCED

023101524

SENATE BILL NO. 351

Offered January 9, 2002

Prefiled January 9, 2002

A BILL to amend the Code of Virginia by adding in Article 6 of Chapter 1 of Title 51.1 a section numbered 51.1-143.2, relating to the purchase of creditable service on behalf of local government employees participating in the Virginia Retirement System and who are terminated pursuant to a plan to reduce the number of employees of the local government.

Patrons—Reynolds; Delegate: Armstrong

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 6 of Chapter 1 of Title 51.1 a section numbered 51.1-143.2 as follows:

§ 51.1-143.2. Purchase of creditable service for certain members whose employment is terminated.

A. Any locality (i) in which the civilian labor force equals less than ninety percent of the civilian labor force in the locality in 1993, as determined by the Virginia Employment Commission, and (ii) that is participating directly in the Retirement System, may purchase up to five years of creditable service for any of its employees participating in the Retirement System, concurrently with the termination of the employee's employment by the locality. The locality may purchase creditable service under this section only if the employee's termination is directly related to the implementation of a plan to reduce the number of employment positions with the locality. Such plan shall be filed with the Virginia Employment Commission. The locality may not purchase creditable service for any employee terminated for any other reason.

B. The cost to purchase such service shall be paid by the locality. For each year of service purchased for such employee, the cost shall equal the sum of the member contribution charged pursuant to § 51.1-144 plus the employer contribution charged pursuant to § 51.1-145, both as in effect at the time of purchase. The number of years of service that may be purchased shall be determined by the locality.

C. The locality may not rehire such employee until a period of at least two years has expired subsequent to the employee's termination by the locality.

D. For purposes of this section, a "locality" shall include any political subdivision or a local public school board of such locality.

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