

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 51.1-602 of the Code of Virginia, relating to the Government*  
 3 *Employees Deferred Compensation Plan Act; collection of administrative fees by political*  
 4 *subdivisions.*

[H 551]

6 Approved

7 **Be it enacted by the General Assembly of Virginia:**8 **1. That § 51.1-602 of the Code of Virginia is amended and reenacted as follows:**

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

11 A. The Board shall establish and administer a deferred compensation plan for employees of the  
 12 Commonwealth and its agencies. The Virginia Retirement System Director shall be the chief  
 13 administrative officer of the plan. The Board may contract with private corporations or institutions  
 14 subject to the standards set forth in § 51.1-124.30 to provide investment products as well as any other  
 15 goods and services related to the administration of the deferred compensation plan. The Virginia  
 16 Retirement System is hereby authorized to perform related services including, but not limited to,  
 17 providing consolidated billing, individual and collective record keeping and accountings, and asset  
 18 purchase, control, and safekeeping. In accordance with such plan, and upon contract or agreement with  
 19 an eligible employee, deferrals of compensation may be accomplished by payroll deductions made by  
 20 the appropriate officer of the Commonwealth, with such funds being thereafter held and administered in  
 21 accordance with the plan. Administrative fees related to the VRS program oversight that otherwise  
 22 would be charged to an employee participating in the plan shall be paid by the participating employer  
 23 under procedures established by the Board. *Any political subdivision participating in the plan pursuant*  
 24 *to § 51.1-603.1 may collect the administrative fee imposed by the Virginia Retirement System from*  
 25 *employees participating in the plan.*

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

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

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

ENROLLED

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