

2007 SESSION

INTRODUCED

078366472

HOUSE BILL NO. 1941

Offered January 10, 2007

Prefiled January 5, 2007

A *BILL to amend the Code of Virginia by adding a section numbered 51.1-126.5:1, relating to Virginia Retirement System; defined contribution retirement plan.*

Patron—Purkey

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 51.1-126.5:1 as follows:

§ 51.1-126.5:1. Defined contribution retirement plan for eligible members.

A. As used in this section, unless the context requires otherwise:

"Eligible member" means a member who holds an eligible position.

"Eligible position" means any position covered by any retirement plan administered by the Virginia Retirement System pursuant to this title.

"Participating member" means an eligible member who elects to participate in the plan.

"Plan" means the defined contribution retirement plan established pursuant to this section.

B. The Board shall establish a defined contribution plan for eligible members. The plan shall be in lieu of the service retirement allowance provided by any other plan provided under this title. Participating members shall be deemed to be members of the retirement system to the extent consistent with the provisions of this section.

C. Any person who becomes an eligible member on or after July 1, 2008, shall participate in the plan and such participation shall be in lieu of participation in any other retirement plan administered by the Virginia Retirement System. All other eligible members may elect to participate in the plan in lieu of participating in any other retirement plan administered by the Virginia Retirement System, in accordance with guidelines established by the Virginia Retirement System.

D. The contribution by the Commonwealth to a participating member's defined contribution account shall be determined by the General Assembly. Contributions and all earnings thereon shall be credited to an account to be maintained for each participating member.

E. After termination of employment, a participating member may withdraw the accrued contributions and earnings from his defined contribution account, subject to applicable state and federal law and regulation.

F. The Virginia Retirement System shall (i) develop policies and procedures for the administration of the plan and (ii) provide a program of education and support for participating members.

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