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**SENATE BILL NO. 848**

Offered January 12, 2011

Prefiled January 7, 2011

*A BILL to amend and reenact § 51.1-138 of the Code of Virginia, relating to the Virginia Retirement System; benefits for certain local employees.*

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Patron—Petersen

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Referred to Committee on Finance

**Be it enacted by the General Assembly of Virginia:****1. That § 51.1-138 of the Code of Virginia is amended and reenacted as follows:****§ 51.1-138. Benefits.**

A. Employees who become members under this article and on whose behalf contributions are paid as provided in this article shall be entitled to benefits under the retirement system.

B. By resolution legally adopted and approved by the Board, the employer may elect to provide benefits equivalent to those provided under the State Police Officers' Retirement System, as set out in Chapter 2 (§ 51.1-200 et seq.) of this title except for § 51.1-209, and except that the employer may elect to establish the retirement allowance pursuant to the allowance provided in clause (i) or (ii) in subsection A of § 51.1-206, in lieu of the benefits that would otherwise be provided hereunder for any employees who are employed in (i) law-enforcement positions comparably hazardous to that of a state police officer, including any sworn law-enforcement officer who has the duty and obligation to enforce the penal and traffic laws of this Commonwealth as directed by his superior officer, if so certified by his appointing authority, (ii) positions as full-time salaried fire fighters, (iii) positions as full-time salaried emergency medical technicians, or (iv) positions as regional jail superintendents and jail officers of regional jail farms, regional jails or jail authorities, as approved by the respective jail board or authority and by the participating political subdivisions of such entities. Sheriffs of political subdivisions and superintendents of regional jails which participate in the retirement system shall receive benefits equivalent to those of state police officers, except for the benefits provided under § 51.1-209, regardless of whether the employer has elected to provide equivalent benefits as set out in this subsection.

C. Each employer providing the benefits of subsection B for its employees prior to July 1, 1990, may elect to provide for the early retirement of employees as set forth in this subsection in lieu of the early retirement and death before retirement provisions of the State Police Officers' Retirement System. Such election must be made to the Board in writing prior to July 1, 1990. Any member in service on or after his fifty-fifth birthday with five or more years of creditable service (i) while earning the benefits permitted by this section, (ii) as a member in the retirement system established by Chapter 2 (§ 51.1-200 et seq.) of this title, or (iii) as a member in the retirement system established by Chapter 2.1 (§ 51.1-211 et seq.) of this title may retire upon written notification to the Board setting forth at what time the retirement is to become effective. The effective date shall be after his last day of service but shall not be more than 90 days prior to the filing of such notice. The member shall receive an allowance that shall be determined in the same manner as for retirement at an employee's normal retirement with creditable service and average final compensation being determined as of the date of his actual retirement. If the member has less than 30 years of service at retirement, the amount of the retirement allowance shall be reduced on an actuarial equivalent basis for the period by which the actual retirement date precedes the earlier of (a) the member's normal retirement date or (b) the first date on or after the member's fifty-fifth birthday on which the member would have completed a total of 30 years of creditable service. Effective December 31, 2003, any employee in service on June 30, 2002, and July 1, 2002, who is credited with five or more years of creditable service rendered under this chapter and earning the benefits permitted by this section, Chapter 2 (§ 51.1-200 et seq.), or Chapter 2.1 (§ 51.1-211 et seq.) of this title shall not be subject to the vesting requirements of this section, and §§ 51.1-205 and 51.1-216.

Members retiring under the provisions of this subsection shall be entitled to receive post-retirement supplements as provided in § 51.1-166. In computing the amount of any supplement, any additional allowances being paid under the provisions of subsection B of § 51.1-206 shall be disregarded. In the case of death before retirement, members whose employers elect to provide benefits in accordance with the provisions of this subsection and who have not attained the age of 50 on the date of death shall be assumed to be 50 years of age for the purposes of reducing the benefits on an actuarial equivalent basis.

D. Beginning July 1, 2008, each county and city participating in the Virginia Retirement System shall provide the benefit coverage described in subsection B to each deputy sheriff, regardless of whether the deputy sheriff's salary is funded or reimbursed in whole or in part by the Compensation

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59 Board.

60 E. Notwithstanding the provisions of subsection C, beginning July 1, 2009, the City of Danville shall  
61 provide to each deputy sheriff the benefit coverage described in subsection B.

62 F. Beginning July 1, 2009, each regional jail board and regional jail authority participating in the  
63 Virginia Retirement System and each county and city participating in such board or authority shall  
64 provide the benefit coverage described in subsection B to each sworn officer of a regional jail,  
65 regardless of whether the regional jail officer's salary is funded or reimbursed in whole or in part by the  
66 State Compensation Board.

67 G. 1. Beginning July 1, 2010, any county or city that (i) participates in the Virginia Retirement  
68 System pursuant to Chapter 1 (§ 51.1-124.1 et seq.), (ii) has in effect a retirement supplement for deputy  
69 sheriffs (in addition to the annual retirement allowance provided under the Virginia Retirement System)  
70 that exceeds the allowance set forth in subsection B of § 51.1-206 hereof, and (iii) provides the same  
71 level of retirement benefits to all of its deputy sheriffs, may, by resolution legally adopted, elect to  
72 provide the benefits coverage under subsection B hereof except for the allowance described in  
73 subsection B of § 51.1-206. Notwithstanding any other provision of law, the additional costs of such  
74 election shall be borne solely by such county or city.

75 2. Beginning July 1, 2011, any county, city, or town that (i) participates in the Virginia Retirement  
76 System pursuant to Chapter 1 (§ 51.1-124.1 et seq.), (ii) has in effect a retirement supplement for  
77 employees described in subsection B hereof (in addition to the annual retirement allowance provided  
78 under the Virginia Retirement System) that exceeds the allowance set forth in subsection B of § 51.1-206  
79 hereof, and (iii) provides the same level of retirement benefits to all of its employees described in  
80 subsection B hereof, may, by resolution legally adopted, elect to provide the benefits coverage under  
81 subsection B hereof except for the allowance described in subsection B of § 51.1-206. Such county, city,  
82 or town may restrict its election to apply only to any employee who is a person who becomes a member  
83 on or after July 1, 2010. Such county, city, or town shall be considered to provide the same level of  
84 retirement benefits to all such employees as long as each person who becomes a member on or after  
85 July 1, 2010 has the same level of benefits, and all other employees who became members as of a  
86 specified date have the same level of benefits, even if the level of benefits for each group differs.  
87 Notwithstanding any other provision of law, the additional costs of such election shall be borne solely  
88 by such county, city, or town or city.

89 H. The retirement system shall not be liable for the payment of any retirement allowances or other  
90 benefits on behalf of a member or beneficiary of a member for which reserves have not been previously  
91 created from funds contributed by the employer or the members for such benefits.