

2015 SESSION

HOUSE SUBSTITUTE

15104858D

HOUSE BILL NO. 1969

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Appropriations

on February 6, 2015)

(Patron Prior to Substitute—Delegate Jones)

A BILL to require the Virginia Retirement System to report to the General Assembly on a cash balance retirement plan.

Be it enacted by the General Assembly of Virginia:

1. § 1. That the Virginia Retirement System (VRS) shall review cash balance retirement plans implemented in other statewide retirement systems and develop and submit a plan to the General Assembly no later than November 1, 2015. The analysis shall include: (i) a comparison of the long-term employer and employee costs of such cash balance plans to current VRS plan designs, (ii) an assessment of their financial risks to employers and employees, (iii) the administrative impact of such plans to VRS and its employers, (iv) the likely effect upon retirement benefits for employees, and (v) a recommended funding structure under which a cash balance plan could be funded by state and local employers while still meeting the funding requirements of existing VRS plans.

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