

964154264

HOUSE BILL NO. 728

Offered January 22, 1996

A BILL to amend and reenact § 51.1-142 of the Code of Virginia, relating to prior service credit in the Virginia Retirement System.

Patron—Hamilton

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:**1. That § 51.1-142 of the Code of Virginia is amended and reenacted as follows:**

§ 51.1-142. Prior service or membership credit for certain members.

A. Any member in service may purchase credit for service lost as a result of the following:

1. Rejection of membership in the retirement system.

2. Cessation of membership under this chapter because of the withdrawal of his accumulated contributions.

3. Exclusion from membership because of being a member of the General Assembly or other state officer elected by the people.

4. Termination of service as an officer or employee of a political subdivision in a position which subsequently became covered by the retirement system and for which prior service credit was granted.

In order to receive credit for the service, the member must pay an amount equal to the contributions that he would have made during the entire period to be credited, assuming that the member contribution rate specified in this chapter as of the date of payment had been in effect during the entire period and that the higher of the member's creditable compensation or average final compensation as of the date of payment had been received during the entire period.

When a member requests credit for a portion of the period, the most recent portion shall be credited. Payment may be made in a lump sum or by an additional payroll deduction. Only one additional deduction shall be permitted at any time. Should the additional deduction be terminated prior to purchasing the entire period which might otherwise be credited, the member shall be credited with the number of additional months of service for which payments are made. If the additional deduction is continued beyond the point at which the entire period has been purchased, the member shall be credited with no more than the entire period which might otherwise have been credited and the excess amount deducted shall be refunded to the member.

B. Any member granted a leave of absence for any of the following reasons may purchase limited service on the basis set forth in subsection A of this section:

1. Up to four years of service for any leave of absence for educational purposes or for temporary employment with the General Assembly.

2. Up to four years of service subsequent to January 1, 1964, for any leave of absence due to illness or disability or service which was temporarily terminated due to illness or disability.

C. Any member in service who was denied membership because of having attained age sixty when first employed or reemployed may purchase all or any portion of service lost as a result of denial upon payment in a lump sum of the amount the member would have contributed had he been allowed to participate in the system.

D. Service may be credited at no cost under the following circumstances:

1. Any member who was a member of the abolished system and who was in service on March 1, 1952, shall receive credit for service rendered as a state employee or teacher prior to July 1, 1942, provided the member has not received a refund of accumulated contributions since becoming a member of the abolished system.

2. Any member in service who is credited with five or more years of membership service who rendered full-time salaried service as a state employee or teacher prior to July 1, 1942, may receive credit for same.

3. Any member who is a teacher may receive credit for service rendered as a nonprofessional employee of a school board provided the school board has extended coverage to its nonprofessional employees and granted credit for service rendered prior to the effective date of coverage.

4. Any vested member who is a teacher shall receive up to two years of service credit for any involuntary leave of absence, without pay, required by local school division policies related to pregnancy or childbirth provided (i) the member was on such leave from a covered position prior to July 1, 1974, (ii) the member has not withdrawn all accumulated contributions, and (iii) the member reenters service in a covered position. In such instances, the employer, or its successors, which had such policies in

INTRODUCED

HB728

60 place and applied same to the teacher seeking additional service credit shall be liable for the cost of
61 providing such service credit.

62 5. Any member may receive credit for service rendered in the armed forces of the United States
63 provided (i) the member was on leave of absence from a covered position, (ii) the discharge from the
64 armed forces was not dishonorable, (iii) the member has not withdrawn his accumulated contributions,
65 and (iv) the member reenters service in a covered position within one year after discharge from the
66 armed forces. No period of service rendered, through reenlistment, beyond the cessation of hostilities
67 shall be creditable service.

68 E. Any member of the abolished system may transfer accumulated contributions in that system to the
69 Retirement System within one year after becoming a member of the Retirement System.

70 F. Any vested member in service who (i) by virtue of an order of a court of this Commonwealth
71 granting special police powers, enforced the laws of the Commonwealth at any time between 1964 and
72 1981 as a uniformed law-enforcement officer in any incorporated or unincorporated town in any county
73 with a population between 55,000 and 60,000, as reported in the 1990 census of the population of the
74 United States, and at the time of such member's law-enforcement service, such county participated in the
75 Virginia Retirement System; (ii) reentered service in a covered position; and (iii) has not withdrawn his
76 accumulated contributions, may purchase prior service credit pursuant to § 51.1-144.

77 G. Any vested member in service who (i) prior to January 1, 1982, was employed by the
78 Commissioner of Revenue in any city of this Commonwealth with a population greater than 200,000, as
79 reported in the 1990 census of the population of the United States, and (ii) on January 1, 1982, became
80 an employee of the Director of Finance in any city of this Commonwealth with a population greater
81 than 200,000, as reported in the 1990 census of the population of the United States, which participated
82 in the Virginia Retirement System; and (iii) has not withdrawn his accumulated contributions, may
83 transfer his years of creditable service from the city's retirement plan to the Virginia Retirement System.
84 The Virginia Retirement System shall compute the present value of the retirement benefit of service so
85 transferred and the city's retirement plan shall pay in a manner prescribed by the Retirement System.

86 H. Any vested member in service who (i) prior to January 1, 1990, was employed by the sheriff in
87 any city of this Commonwealth with a population greater than 150,000, as reported in the 1990 census
88 of the population of the United States; (ii) on or after January 1, 1990, became a state employee with
89 the Department of Corrections; and (iii) has not withdrawn his accumulated contributions, may transfer
90 his years of creditable service from the city's retirement plan to the Virginia Retirement System. The
91 Virginia Retirement System shall compute the present value of the retirement benefit of service so
92 transferred, and the city's retirement plan shall pay in a manner prescribed by the Retirement System.