

1996 SESSION

INTRODUCED

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HOUSE JOINT RESOLUTION NO. 245

Offered January 22, 1996

Requesting the Virginia Retirement System to study the restructuring of service retirement allowances so as to reflect the reduced number of years of life expectancy for those members who retire at age 65 or over.

Patron—Grayson

Referred to Committee on Rules

WHEREAS, except for judges, no mandatory retirement age is imposed on the members of the Virginia Retirement System; and

WHEREAS, because no mandatory retirement age is imposed on the members of the Virginia Retirement System, employees can keep working as long as they can continue to execute their job responsibilities in a competent manner; and

WHEREAS, the service retirement allowance for those members of the Virginia Retirement System who retire with thirty-five or more years of creditable service is computed as 1.65% of average final compensation multiplied by the number of years of creditable service; and

WHEREAS, this benefit computation fails to take into account the fact that for members aged 65 or over, there is a reduction in life expectancy of nearly one year for every additional year that such members continue to work; and

WHEREAS, members who work past age 65 should receive a greater service retirement allowance because the Virginia Retirement System can expect to pay out retirement benefits to such members for a shorter period for each additional year that such members continue to work; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Virginia Retirement System study the restructuring of service retirement allowances so as to reflect the reduced number of years of life expectancy for those members who retire at age 65 or over.

The Virginia Retirement System shall complete its work in time to submit its findings and recommendations to the Governor and the 1997 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for processing legislative documents.

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