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SENATE BILL NO. 992

Senate Amendments in [] — January 31, 1997

A BILL to amend and reenact §§ 2.1-116, 2.1-116.09, 51.1-124.22, 51.1-124.27, and 51.1-155.1 of the Code of Virginia, relating to the officers and employees of the Virginia Retirement System.

Patrons—Holland, Gartlan, Miller, K.G. and Walker; Delegates: Callahan, Councill, Croshaw, DeBoer, Dickinson, Hall, Murphy, Parrish and Putney

Referred to the Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.1-116, 2.1-116.09, 51.1-124.22, 51.1-124.27, and 51.1-155.1 of the Code of Virginia are amended and reenacted as follows:

§ 2.1-116. Certain officers and employees exempt from chapter.

The provisions of this chapter shall not apply to:

1. Officers and employees for whom the Constitution specifically directs the manner of selection;
2. Officers and employees of the Supreme Court and the Court of Appeals;
3. Officers appointed by the Governor, whether confirmation by the General Assembly or by either house thereof is required or not;
4. Officers elected by popular vote or by the General Assembly or either house thereof;
5. Members of boards and commissions however selected;
6. Judges, referees, receivers, arbiters, masters and commissioners in chancery, commissioners of accounts, and any other persons appointed by any court to exercise judicial functions, and jurors and notaries public;
7. Officers and employees of the General Assembly and persons employed to conduct temporary or special inquiries, investigations, or examinations on its behalf;
8. The presidents, and teaching and research staffs of state educational institutions;
9. Commissioned officers and enlisted personnel of the national guard and the naval militia;
10. Student employees in institutions of learning, and patient or inmate help in other state institutions;
11. Upon general or special authorization of the Governor, laborers, temporary employees and employees compensated on an hourly or daily basis;
12. County, city, town and district officers, deputies, assistants and employees;
13. The employees of the Virginia Workers' Compensation Commission;
14. The following officers and employees of the Virginia Retirement System: ~~retirement system chief investment officer, retirement system investment officer, retirement system assistant investment officer and investment financial analyst;~~
15. Employees whose positions are identified by the State Council of Higher Education and the boards of the Virginia Museum of Fine Arts, the Science Museum of Virginia, the Jamestown-Yorktown Foundation, the Frontier Culture Museum of Virginia, the Virginia Museum of Natural History and The Library of Virginia, and approved by the Director of the Department of Personnel and Training as requiring specialized and professional training;
16. Employees of the State Lottery Department;
17. Production workers for the Virginia Industries for the Blind Sheltered Workshop programs;
18. [Repealed.]
19. Employees of the Medical College of Virginia Hospitals Authority;
20. Employees of the University of Virginia Medical Center. Any changes in compensation plans for such employees shall be subject to the review and approval of the Board of Visitors of the University of Virginia. The University of Virginia shall ensure that its procedures for hiring University of Virginia Medical Center personnel are based on merit and fitness. Such employees shall remain subject to the provisions of Chapter 10.01 (§ 2.1-116.01 et seq.) of Title 2.1;
21. In executive branch agencies the employee who has accepted serving in the capacity of chief deputy, or equivalent, and the employee who has accepted serving in the capacity of a confidential assistant for policy or administration. An employee serving in either one of these two positions shall be deemed to serve on an employment at will basis. An agency may not exceed two employees who serve in this exempt capacity; and
22. Employees of Virginia Correctional Enterprises. Such employees shall remain subject to the provisions of Chapter 10.01 (§ 2.1-116.01 et seq.) of Title 2.1.

§ 2.1-116.09. State employees.

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60 A. Unless exempted by law, all nonprobationary state employees shall be included in the grievance
61 procedure established pursuant to this chapter and any regulations promulgated pursuant thereto.
62 Employees not covered by such grievance procedure may be covered by an alternative grievance
63 procedure approved by the Department which is consistent with the provisions of this chapter and any
64 regulations promulgated pursuant thereto.

65 B. The Office of the Attorney General and every legislative ~~and~~ , judicial, *and independent* agency
66 which is not subject to the state grievance procedure shall ~~promulgate~~ *establish* and administer a
67 grievance procedure *consistent with the provisions of this chapter and any regulations promulgated*
68 *pursuant thereto*.

69 § 51.1-124.22. Board to administer Retirement System; powers and duties.

70 A. The Retirement System shall be administered by the Board of Trustees, whose powers and duties
71 include but are not limited to:

72 1. Appointing a director, who shall not be a member of the Board, to serve as the chief
73 administrative officer of the Retirement System at the pleasure of the Board.

74 2. Maintaining records of all of its proceedings and making such records available for inspection by
75 the public.

76 3. Employing an actuary as its technical advisor and employing other persons and incurring
77 expenditures as it deems necessary for the efficient administration of the Retirement System.

78 4. Causing an actuarial investigation to be made of all the experience under the Retirement System at
79 least once in each four-year period. The Board shall also cause actuarial gain/loss analyses to be made
80 in conjunction with each actuarial valuation of the System. Pursuant to such investigations and analyses,
81 the Board shall periodically revise the actuarial assumptions used in the computation of employer
82 contribution rates.

83 5. Causing a biennial actuarial valuation to be made of the assets and liabilities of the Retirement
84 System with respect to each employer. Pursuant to the results of such valuations, the Board shall prepare
85 a statement as to the employer contribution rates applicable to each employer.

86 6. Publishing the results of each actuarial valuation of the assets and liabilities.

87 7. Publishing annual financial statements of the Retirement System or annual reports in accordance
88 with §§ 51.1-1000 through 51.1-1003.

89 8. Promulgating regulations and procedures and making determinations necessary to carry out the
90 provisions of this title.

91 9. Purchasing insurance to insure against losses suffered by the Retirement System if any member of
92 the Board or of any advisory committee breaches the standard of care in § 51.1-124.30.

93 10. Adopting rules and policies that bring the Retirement System into compliance with any applicable
94 law or regulation of this Commonwealth or the United States.

95 *11. Establishing and administering, for the officers and employees of the Retirement System, (i) a*
96 *compensation plan which is consistent with the provisions set forth in the general appropriations act for*
97 *this purpose and (ii) a grievance procedure which is consistent with the provisions Chapter 10.01*
98 *(§ 2.1-116.01 et seq.) of Title 2.1 and any regulations promulgated pursuant thereto.*

99 B. The Board shall be vested with the powers and duties of the Board of Trustees of the abolished
100 system to the extent necessary for the payment of vested rights and the return of accumulated
101 contributions.

102 § 51.1-124.27. Employees of the Retirement System.

103 ~~Notwithstanding the provisions of § 2.1-116, The officers and employees of the Virginia Retirement~~
104 ~~System shall be exempt from the provisions of the Virginia Personnel Act, Chapter 10 (§ 2.1-110 et~~
105 ~~seq.) of Title 2.1 and Chapter 10.01 (§ 2.1-116.01 et seq.) of Title 2.1. Personnel actions shall be taken~~
106 ~~without regard to race, sex, color, national origin, religion, age, handicap or political affiliation.~~

107 § 51.1-155.1. Exceptions from general early retirement provisions for certain state employees.

108 A. Members of the retirement system (i) whose positions are described by subdivision A 2 (except
109 members of the Judicial Retirement System (§ 51.1-300 et seq.)), A 3, A 4 (except officers elected by
110 popular vote), A 7, A 13, A 14 [~~(except officers and employees of the Virginia Retirement System who~~
111 ~~are covered by the grievance procedure established and administered by the Board pursuant to~~
112 ~~§ 51.1-124.22)] , 15, A 16, A 17, or A 19 of § 2.1-116 or (ii) agency heads appointed by a state board,
113 state commission, or state council, or school division superintendents appointed by a school board
114 pursuant to § 22.1-60, who are involuntarily separated from state service and who have twenty or more
115 years of creditable service at the date of separation, may retire with the retirement allowance as provided
116 in subdivision A 1 of § 51.1-155, upon attaining age fifty-five.~~

117 B. For the purposes of this section, "involuntary separation" means any dismissal, requested
118 resignation, or failure to obtain reappointment, except in case of a conviction for a felony or crime
119 involving moral turpitude or dishonesty.

120 C. Any state employee who retires under the provisions of this section on or after January 1, 1994,
121 shall be eligible to participate in the state health insurance program as provided in § 2.1-20.1 and receive

122 group life insurance benefits as provided in subsection B of § 51.1-505.

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