

VIRGINIA ACTS OF ASSEMBLY -- 1998 SESSION

CHAPTER 658

An Act to amend and reenact § 51.1-602 of the Code of Virginia, relating to the deferred compensation plan.

[S 38]

Approved April 16, 1998

Be it enacted by the General Assembly of Virginia:

1. That § 51.1-602 of the Code of Virginia is amended and reenacted as follows:

§ 51.1-602. Deferred compensation plan for employees of the Commonwealth; administered by the Board.

A. The Board shall establish and administer a deferred compensation plan for employees of the Commonwealth and its agencies. The Virginia Retirement System Director shall be the chief administrative officer of the plan. The Board may contract with private corporations or institutions subject to the standards set forth in § 51.1-124.30 to provide investment products as well as any other goods and services related to the administration of the deferred compensation plan. The Virginia Retirement System is hereby authorized to perform related services including, but not limited to, providing consolidated billing, individual and collective record keeping and accountings, and asset purchase, control, and safekeeping. In accordance with such plan, and upon contract or agreement with an eligible employee, deferrals of compensation may be accomplished by payroll deductions made by the appropriate officer of the Commonwealth, with such funds being thereafter held and administered in accordance with the plan.

B. If it deems it advisable, the Board may create a trust or other special fund for the segregation of the funds or assets resulting from compensation deferred at the request of employees of the Commonwealth or its agencies and for the implementation of such program.

C. The Department of Accounts shall be responsible for the (i) accounting and reconciliations associated with state employees' contributions to the plan through payroll deductions; and (ii) timely transfer of withheld funds to the private corporation or institution designated by the Board pursuant to subsection A. *However, any state agency that has decentralized its payroll function and any political subdivision of the Commonwealth participating in the plan pursuant to § 51.1-603.1 shall be responsible for the (i) accounting and reconciliations associated with their employees' contributions to the plan through payroll deductions and (ii) timely transfer of withheld funds to the private corporation or institution designated by the Board pursuant to subsection A.*

D. The Commonwealth, the Board of Trustees of the Virginia Retirement System, the employees of the System, and the Investment Advisory Committee of the System shall not incur any liability for any losses suffered by a deferred compensation plan established or administered under the authority of this chapter.