

VIRGINIA ACTS OF ASSEMBLY -- 1998 RECONVENED SESSION

CHAPTER 822

An Act to amend the Code of Virginia by adding a section numbered 51.1-126.5, relating to a defined contribution plan for certain employees.

[H 300]

Approved April 22, 1998

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 51.1-126.5 as follows:

§ 51.1-126.5. Certain employees of public school divisions.

A. Any school board established pursuant to Article VIII, Section 7 of the Constitution of Virginia and Chapter 5 (§ 22.1-28 et seq.) of Title 22.1 may establish and administer a retirement plan for the benefit of eligible members serving in a position designated in § 22.1-60 and is hereby authorized to make contributions for the benefit of its eligible employees who elect to participate in such a plan rather than in the retirement plan established by this chapter. Any present or future eligible employee of such school board shall make an irrevocable election to participate in either the retirement system established by this chapter or the plan provided by the school board employing him, in accordance with the guidelines for making such election as established by the Virginia Retirement System. The election provided for herein shall be exercised not later than ninety days after the effective date of this legislation for those employees employed on that date and not later than ninety days from the date performance of duties begins for employees hired after such effective date.

B. No employee of any school board who is an active member of the retirement plan established under this section shall also be an active member in the Virginia Retirement System or beneficiary thereof other than as a contingent annuitant. Such eligible employee may, however, be covered under any insurance plan established by the Board under this title for which he would have been otherwise eligible.

C. The contribution by the school board to such employee's retirement plan shall be determined by the school board.

D. The school board establishing a retirement plan as provided for in this section shall develop policies and procedures for the administration of such plan in accordance with existing and future federal and state policies, regulations, and statutes governing the administration of such plans.