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HOUSE BILL NO. 299**AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by the House Committee on Appropriations
on February 12, 1998)

(Patron Prior to Substitute—Delegate Shuler)

A BILL for the relief of Dwight Kregloe, et al.

Whereas, in 1996, pursuant to the Workforce Transition Act (WTA), several employees of the Commonwealth of Virginia retired; and

Whereas, prior to the employees' decision to retire, the Virginia Retirement System (VRS) calculated each of their individual monthly retirement benefit using the value of their retirement benefits combined with the enhanced WTA credits which had been approved by their respective employers; and

Whereas, each of the individuals decided to retire based on the individual monthly retirement benefit calculation provided to them by the VRS; and

Whereas, pursuant to an audit of the WTA, it was determined that the enhanced credits used in the calculation of the individual monthly retirement benefits for some former employees were incorrect; and

Whereas, beginning in August and September of 1997, the VRS informed several former employees that, based on the change in the enhanced credits authorized by their respective employers, their monthly retirement benefits would be reduced from the amounts they were currently receiving and had been receiving since their respective dates of retirement; and

Whereas, the former employees affected by these changes had based their individual decisions to retire on the individual monthly retirement benefits which were based on incorrectly calculated WTA credits, and, as a result of those incorrect calculations, have suffered losses and will continue to suffer monthly losses of various amounts; and

Whereas, these adversely affected former employees have no other means to obtain relief except by action of this body; now, therefore,

Be it enacted by the General Assembly of Virginia:

1. § 1. The Virginia Retirement System (VRS) is directed to determine the amount that each former employee adversely affected by the incorrect calculations (i) has received and (ii) should have received before the initial monthly retirement benefit to them was reduced by the VRS. VRS shall pay the difference between subdivision (i) and (ii) from the time the adjusted monthly retirement benefit was instituted until July 1, 1998. Such payment shall be made to the adversely affected former employees provided that each of the adversely affected former employees executes a release of all claims they may have against the Commonwealth or any of its political subdivisions or their officers, employees, or agents. Further, beginning July 1, 1998, the VRS is directed to restore the monthly retirement benefits of the adversely affected former employees to the amount initially paid by the VRS at the time of their retirement under the Workforce Transition Act.