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HOUSE BILL NO. 1603

Offered January 13, 1999

A BILL to amend and reenact § 51.1-143 of the Code of Virginia, relating to purchase of prior service credit in the Virginia Retirement System.

Patrons—Purkey (By Request) and Hamilton

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:**1. That § 51.1-143 of the Code of Virginia is amended and reenacted as follows:**

§ 51.1-143. Prior service credit for certain military service or under system of another state, political subdivision, or public school system.

A. Any member in service who has been credited with five or more years of membership service may purchase all or part of the following:

1. Active duty service in the armed forces of the United States not otherwise creditable as prior service under this chapter.

2. Certified creditable service in the retirement system of another state or of a political subdivision or public school system of this or another state.

3. Civilian service of the United States.

4. *Service, up to three years, as a teacher in a private elementary, middle or high school.*

The member must pay an amount equal to fifteen percent of his present annual compensation for each year to be credited or fifteen percent of his average annual creditable compensation during his thirty-six highest consecutive months of creditable service, whichever is greater.

B. Service purchased under this section shall not be considered (i) in the calculation of any retirement benefit by another retirement system or (ii) in determining the actuarial equivalent for early retirement.

C. (For effective date - See notes) Any employer may elect to pay an equivalent amount in lieu of all member contributions required of its employees for the purpose of service credit pursuant to this section. These contributions shall not be considered wages for purposes of Chapter 7 (§ 51.1-700 et seq.) of this title, nor shall they be considered to be salary for purposes of this chapter.

INTRODUCED

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