

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 51.1-155 of the Code of Virginia and to amend and reenact the fifth*
3 *enactment of Chapters 689 and 700 of the Acts of Assembly of 2001, relating to the Virginia*
4 *Retirement System; continuation of retirement benefits for retired teachers who resume teaching.*

5 [H 2438]

6 Approved

7 **Be it enacted by the General Assembly of Virginia:**8 **1. That § 51.1-155 of the Code of Virginia is amended and reenacted as follows:**

9 § 51.1-155. Service retirement allowance.

10 A. Retirement allowance. - A member shall receive an annual retirement allowance, payable for life,
11 as follows:12 1. Normal retirement. - The allowance shall equal 1.70 percent of his average final compensation
13 multiplied by the amount of his creditable service.14 2. Early retirement; applicable to teachers, state employees, and certain others. - The allowance shall
15 be determined in the same manner as for normal retirement with creditable service and average final
16 compensation being determined as of the date of actual retirement. If the member has less than ~~thirty~~ 30
17 years of service at retirement, the amount of the retirement allowance shall be reduced on an actuarial
18 equivalent basis for the period by which the actual retirement date precedes the earlier of (i) his normal
19 retirement date or (ii) the first date on which he would have completed a total of ~~thirty~~ 30 years of
20 creditable service. The provisions of this subdivision shall apply to teachers and state employees. These
21 provisions shall also apply to employees of any political subdivision that participates in the retirement
22 system if the political subdivision makes the election provided in subdivision 3 of this subsection.23 3. Early retirement; applicable to employees of certain political subdivisions. - The allowance shall
24 be determined in the same manner as for normal retirement with creditable service and average final
25 compensation being determined as of the date of actual retirement. If the creditable service of the
26 member equals ~~thirty~~ 30 or more years but the sum of his age at retirement plus his creditable service at
27 retirement is less than ~~ninety~~ 90, the amount of the retirement allowance shall be reduced on an
28 actuarial equivalent basis for the period by which the actual retirement date precedes the earlier of (i)
29 his normal retirement date or (ii) the first date on which the sum of his then attained age plus his then
30 creditable service would have been equal to ~~ninety~~ 90 or more had he remained in service until such
31 date. If the member has less than ~~thirty~~ 30 years of creditable service, the retirement allowance shall be
32 reduced for the period by which the actual retirement date precedes the earlier of (i) his normal
33 retirement date or (ii) the first date on which he would have completed a total of at least ~~thirty~~ 30 years
34 of creditable service and his then creditable service plus his then attained age would have been equal to
35 ninety or more.36 The provisions of this subdivision shall apply to the employees of any political subdivision that
37 participates in the retirement system. The participating political subdivision may, however, elect to
38 provide its employees with the early retirement allowance set forth in subdivision 2 of this subsection.
39 Any election pursuant to this subdivision shall be set forth in a legally adopted resolution.40 4. Additional allowance. - In addition to the allowance payable under subdivisions 1, 2, and 3 of this
41 subsection, a member shall receive an additional allowance which shall be the actuarial equivalent, for
42 his attained age at the time of retirement, of the excess of his accumulated contributions transferred from
43 the abolished system to the retirement system, including interest credited at the rate of two percent
44 compounded annually since the transfer to the date of retirement, over the annual amounts equal to four
45 percent of his annual creditable compensation at the date of abolishment for a period equal to his period
46 of membership in the abolished system.47 5. 50/10 retirement. - The allowance shall be payable in a monthly stream of payments equal to the
48 greater of (i) the actuarial equivalent of the benefit the member would have received had he terminated
49 service and deferred retirement to age ~~fifty-five~~ 55 or (ii) the actuarially calculated present value of the
50 member's accumulated contributions, including accrued interest.

51 B. Beneficiary serving in position covered by this title.

52 1. Except as provided in subdivisions 2 and 3, if a beneficiary of a service retirement allowance
53 under this chapter is at any time in service as an employee in a position covered for retirement purposes
54 under the provisions of this or any chapter other than Chapter 7 (§ 51.1-700 et seq.) of this title, his
55 retirement allowance shall cease while so employed. Any member who retires and later returns to
56 covered employment shall not be entitled to select a different retirement option for a subsequent

57 retirement.

58 2. Active members of the General Assembly who are eligible to receive a retirement allowance under
 59 this title, excluding their service as a member of the General Assembly, shall be eligible to receive a
 60 retirement allowance based on their creditable service and average final compensation for service other
 61 than as a member of the General Assembly. Such members of the General Assembly shall continue to
 62 be reported as any other members of the retirement system. Upon ceasing to serve in the General
 63 Assembly, members of the General Assembly receiving a retirement allowance based on their creditable
 64 service and average final compensation for service other than as a member of the General Assembly
 65 shall have their retirement allowance recomputed prospectively to include their service as a member of
 66 the General Assembly. Active members of the General Assembly shall be prohibited from receiving a
 67 service retirement allowance under this title based solely on their service as a member of the General
 68 Assembly.

69 3. (Effective if contingency is met and expires July 1, 2006 - See note) Any person receiving a
 70 service retirement allowance under this chapter, who is hired as a local school board instructional or
 71 administrative employee required to be licensed by the Board of Education, may elect to continue to
 72 receive the retirement allowance during such employment, under the following conditions:

73 a. The person's retirement allowance is based in whole or in part on service as a local school board
 74 instructional or administrative employee required to be licensed by the Board of Education; and

75 b. The person has been receiving such retirement allowance for a period of at least ~~thirty~~ 30 days
 76 preceding his employment; and

77 c. At the time the person is employed, the position to which he is assigned is among those identified
 78 by the Superintendent of Public Instruction pursuant to subdivision 4 of § 22.1-23; and

79 d. The person is hired pursuant to a contract that does not exceed one year in duration; ~~and~~

80 e. ~~The person hired may only be employed for a single year period.~~

81 *Nothing in this subdivision shall be construed to restrict the total number of years that any one*
 82 *person may participate under the provisions of this subdivision, provided that all applicable conditions*
 83 *are met.*

84 If the person elects to continue to receive the retirement allowance during the period of such
 85 employment, then his service performed and compensation received during such period of time will not
 86 increase, decrease, or affect in any way his retirement benefits before, during, or after such employment.

87 3. (Effective if contingency is not met and expires July 1, 2006 - See note) Any person receiving a
 88 service retirement allowance under this chapter, who is hired as a local school board instructional or
 89 administrative employee required to be licensed by the Board of Education, may elect to continue to
 90 receive the retirement allowance during such employment, under the following conditions:

91 (a) The person's retirement allowance is based in whole or in part on service as a local school board
 92 instructional or administrative employee required to be licensed by the Board of Education;

93 (b) The person has been receiving such retirement allowance for a certain period of time preceding
 94 his employment as provided by law;

95 (c) The person is not receiving a retirement benefit pursuant to an early retirement incentive program
 96 from any local school division within the Commonwealth; and

97 (d) At the time the person is employed, the position to which he is assigned is among those
 98 identified by the Superintendent of Public Instruction pursuant to subdivision 4 of § 22.1-23.

99 If the person elects to continue to receive the retirement allowance during the period of such
 100 employment, then his service performed and compensation received during such period of time will not
 101 increase, decrease, or affect in any way his retirement benefits before, during, or after such employment.

102 **2. That the fifth enactment of Chapters 689 and 700 of the Acts of Assembly of 2001 is amended**
 103 **and reenacted as follows:**

104 5. That the provisions of this act shall expire on July 1, ~~2006~~ 2005.