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HOUSE BILL NO. 2264

Offered January 13, 2021

A BILL to amend and reenact § 51.1-155 of the Code of Virginia, relating to Virginia Retirement System; retired law-enforcement officers employed as fingerprint examiners.

Patron—Leftwich

Referred to Committee on Appropriations

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

A. Retirement allowance. — A member shall receive an annual retirement allowance, payable for life, as follows:

1. Normal retirement. — The allowance shall equal 1.70 percent of his average final compensation multiplied by the amount of his creditable service. Notwithstanding the foregoing, for a member who (i) is a person who becomes a member on or after July 1, 2010, or (ii) does not have at least 60 months of creditable service as of January 1, 2013, the allowance shall equal the sum of (a) 1.65 percent of his average final compensation multiplied by the amount of his creditable service performed or purchased on or after January 1, 2013, and (b) 1.70 percent of his average final compensation multiplied by the amount of all other creditable service.

2. Early retirement; applicable to teachers, state employees, and certain others. — The allowance shall be determined in the same manner as for normal retirement with creditable service and average final compensation being determined as of the date of actual retirement. If the member has less than 30 years of service at retirement, the amount of the retirement allowance shall be reduced on an actuarial equivalent basis for the period by which the actual retirement date precedes the earlier of (i) his normal retirement date or (ii) the first date on which he would have completed a total of 30 years of creditable service. The provisions of this subdivision shall apply to teachers and state employees. These provisions shall also apply to employees of any political subdivision that participates in the retirement system if the political subdivision makes the election provided in subdivision 3.

3. Early retirement; applicable to employees of certain political subdivisions, any person who becomes a member on or after July 1, 2010, and any member who does not have at least 60 months of creditable service as of January 1, 2013. — The allowance shall be determined in the same manner as for normal retirement with creditable service and average final compensation being determined as of the date of actual retirement. If the creditable service of the member equals 30 or more years but the sum of his age at retirement plus his creditable service at retirement is less than 90, the amount of the retirement allowance shall be reduced on an actuarial equivalent basis for the period by which the actual retirement date precedes the earlier of (i) his normal retirement date or (ii) the first date on which the sum of his then attained age plus his then creditable service would have been equal to 90 or more had he remained in service until such date. If the member has less than 30 years of creditable service, the retirement allowance shall be reduced for the period by which the actual retirement date precedes the earlier of (i) his normal retirement date or (ii) the first date on which he would have completed a total of at least 30 years of creditable service and his then creditable service plus his then attained age would have been equal to 90 or more.

The provisions of this subdivision shall apply to the employees of any political subdivision that participates in the retirement system and any other employees as provided by law. The participating political subdivision may, however, elect to provide its employees with the early retirement allowance set forth in subdivision 2. No such election shall be made for a person who becomes a member on or after July 1, 2010, or a member who does not have at least 60 months of creditable service as of January 1, 2013. Any election pursuant to this subdivision shall be set forth in a legally adopted resolution.

Notwithstanding the foregoing, a political subdivision by legally adopted resolution may declare to the Board that, for purposes of this subdivision, subdivisions B 1 and B 3 and subsection D of § 51.1-153, any person who meets the definition of "emergency medical services personnel" in § 32.1-111.1 or is employed as a firefighter or law-enforcement officer as those terms are defined in § 15.2-1512.2 (i) shall not be considered a person who becomes a member on or after July 1, 2010, and (ii) shall be deemed to have at least 60 months of creditable service as of January 1, 2013. Such resolution shall be irrevocable.

4. Additional allowance. — In addition to the allowance payable under subdivisions 1, 2, and 3, a

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HB2264

59 member shall receive an additional allowance which shall be the actuarial equivalent, for his attained
60 age at the time of retirement, of the excess of his accumulated contributions transferred from the
61 abolished system to the retirement system, including interest credited at the rate of two percent
62 compounded annually since the transfer to the date of retirement, over the annual amounts equal to four
63 percent of his annual creditable compensation at the date of abolishment for a period equal to his period
64 of membership in the abolished system.

65 5. 50/10 retirement. — The allowance shall be payable in a monthly stream of payments equal to the
66 greater of (i) the actuarial equivalent of the benefit the member would have received had he terminated
67 service and deferred retirement to age 55 or (ii) the actuarially calculated present value of the member's
68 accumulated contributions, including accrued interest.

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

70 1. Except as provided in subdivisions 2, 3, 4, and 4 5, if a beneficiary of a service retirement
71 allowance under this chapter or the provisions of Chapters 2 (§ 51.1-200 et seq.), 2.1 (§ 51.1-211 et
72 seq.), or 3 (§ 51.1-300 et seq.) is at any time in service as an employee in a position covered for
73 retirement purposes under the provisions of this or any chapter other than Chapter 6 (§ 51.1-600 et seq.),
74 6.1 (§ 51.1-607 et seq.), or 7 (§ 51.1-700 et seq.), his retirement allowance shall cease while so
75 employed. Any member who retires and later returns to covered employment shall not be entitled to
76 select a different retirement option for a subsequent retirement.

77 2. Active members of the General Assembly who are eligible to receive a retirement allowance under
78 this title, excluding their service as a member of the General Assembly, shall be eligible to receive a
79 retirement allowance based on their creditable service and average final compensation for service other
80 than as a member of the General Assembly. Such members of the General Assembly shall continue to
81 be reported as any other members of the retirement system. Upon ceasing to serve in the General
82 Assembly, members of the General Assembly receiving a retirement allowance based on their creditable
83 service and average final compensation for service other than as a member of the General Assembly
84 shall have their retirement allowance recomputed prospectively to include their service as a member of
85 the General Assembly. Active members of the General Assembly shall be prohibited from receiving a
86 service retirement allowance under this title based solely on their service as a member of the General
87 Assembly.

88 3. (Expires July 1, 2025) Any person receiving a service retirement allowance under this chapter,
89 who is hired by a local school board as an instructional or administrative employee required to be
90 licensed by the Board of Education or as a school bus driver, may elect to continue to receive the
91 retirement allowance during such employment, under the following conditions:

92 (a) The person has been receiving such retirement allowance for at least 12 calendar months
93 preceding his employment;

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

96 (c) At the time the person is employed, the position to which he is assigned is among those
97 identified by the Superintendent of Public Instruction pursuant to subdivision 4 of § 22.1-23, by the
98 relevant division superintendent, pursuant to § 22.1-70.3, or by the relevant local school board, pursuant
99 to subdivision 9 of § 22.1-79.

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

103 4. Any person receiving a service retirement allowance under this title for service as a sworn
104 law-enforcement officer and who is employed in a local school division as a school security officer, as
105 defined in § 9.1-101, may elect to continue to receive the retirement allowance during such employment
106 under the following conditions: (i) the person has a break in service of at least 12 calendar months
107 between retirement for service as a sworn law-enforcement officer and employment as a school security
108 officer; (ii) the person is not receiving a retirement benefit pursuant to an early retirement incentive
109 program from any local school division within the Commonwealth; (iii) the person is not receiving a
110 retirement benefit pursuant to an early retirement incentive program from any employer, as defined in §
111 51.1-124.3; and (iv) the person did not participate in any incentive program established under the second
112 or third enactment of Chapters 152 and 811 of the Acts of Assembly of 1995. If the person elects to
113 continue to receive the retirement allowance during the period of such employment, then his service
114 performed and compensation received during such period of time will not increase, decrease, or affect in
115 any way his retirement benefits before, during, or after such employment, nor shall such person be
116 eligible to receive any retirement benefits available to him pursuant to Chapter 6.1 (§ 51.1-607 et seq.).
117 In addition, the employer shall include the person's compensation in membership payroll subject to
118 employer contributions under § 51.1-145.

119 5. Any person receiving a service retirement allowance under this title for service as a sworn
120 law-enforcement officer and who is employed by a law-enforcement agency as a fingerprint examiner in

121 a civilian capacity may elect to continue to receive the retirement allowance during such employment
122 under the following conditions: (i) the person has a break in service of at least 12 calendar months
123 between retirement for service as a sworn law-enforcement officer and employment as a civilian
124 fingerprint examiner; (ii) the person is not receiving a retirement benefit pursuant to an early retirement
125 incentive program from any employer, as defined in § 51.1-124.3; and (iii) the person did not
126 participate in any incentive program established under the second or third enactment of Chapters 152
127 and 811 of the Acts of Assembly of 1995. If the person elects to continue to receive the retirement
128 allowance during the period of such employment, then his service performed and compensation received
129 during such period of time will not increase, decrease, or affect in any way his retirement benefits
130 before, during, or after such employment, nor shall such person be eligible to receive any retirement
131 benefits available to him pursuant to Chapter 6.1 (§ 51.1-607 et seq.). In addition, the employer shall
132 include the person's compensation in membership payroll subject to employer contributions under
133 § 51.1-145.

134 At least once in each four-year period, in conjunction with the actuarial investigation made under
135 subdivision A 4 of § 51.1-124.22, there shall be an actuarial investigation made of the experience under
136 subdivisions B 3, 4, and 5 and 4 of this section, and the retirement system shall submit a report to the
137 General Assembly advising it of the results of such investigation.