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HOUSE BILL NO. 437

Offered January 15, 1998

A BILL to amend the Code of Virginia by adding in Title 51.1 a chapter numbered 11, consisting of sections numbered 51.1-1100 through 51.1-1111, establishing the Volunteer Firefighters' and Rescue Squad Workers' Pension Fund to be administered by the Virginia Retirement System.

Patrons—Wilkins, Abbitt, Armstrong, Baker, Barlow, Bennett, Bloxom, Bryant, Byron, Callahan, Christian, Clement, Davies, Davis, Day, Deeds, Devolites, Dillard, Drake, Dudley, Griffith, Hamilton, Hargrove, Harris, Ingram, Johnson, Katzen, Kilgore, Landes, May, McDonnell, Moran, Murphy, Orrock, Phillips, Putney, Rhodes, Rollison, Ruff, Shuler, Stump, Tate, Thomas and Wagner; Senator: Reynolds

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 51.1 a chapter numbered 11, consisting of sections numbered 51.1-1100 through 51.1-1111, as follows:

CHAPTER 11.

VOLUNTEER FIREFIGHTERS' AND RESCUE SQUAD WORKERS' PENSION FUND.

§ 51.1-1100. Fund established; administration and management by Board of Trustees of the Virginia Retirement System.

There is hereby created a fund to be known and designated as the "Volunteer Firefighters' and Rescue Squad Workers' Pension Fund" (the "Fund"). The Fund is established to provide pension allowances to eligible volunteer firefighters and rescue squad workers who elect to become members of the Fund. The Board of Trustees of the Virginia Retirement System shall administer and manage the Fund as custodian and further carry out the provisions of this chapter. The Fund shall annually reimburse the Virginia Retirement System for all costs incurred and associated, directly and indirectly, with the administration of this chapter and management and investment of the Fund.

§ 51.1-1101. Powers and duties of the Virginia Retirement System.

The Board shall promulgate such rules and regulations as necessary to carry out its responsibilities as required by this chapter. The Board shall (i) request such general fund appropriations as necessary to maintain the Fund, (ii) make determinations of eligibility for membership in the Fund, (iii) approve applications for benefits paid from the Fund, and (iv) exercise all other powers necessary for the administration of this chapter and management of the Fund. As custodian of the Fund, the Board shall invest the assets of the Fund in accordance with Article 3.1 (§ 51.1-124.30 et. seq.) of Chapter 1 of this title. Member contributions to the Fund shall be segregated into separate member accounts and be used only to pay benefits to its members.

§ 51.1-1102. "Eligible volunteer firefighter" defined.

"Eligible volunteer firefighter" means any volunteer firefighter in the Commonwealth who: (i) performs such functions in the protection of life and property through firefighting within a county, city or town in the Commonwealth, (ii) belongs to a bona fide fire department, (iii) operates fire apparatus and equipment of the value of \$5,000 or more, and (iv) attends, in each calendar year, at least thirty-six hours of drills and meetings held by the fire department to which he belongs. Each fire department shall annually determine those volunteer firefighters who meet the eligibility qualifications and report their names to its respective governing body, which, upon determination of the validity and accuracy of the qualifications, shall promptly certify the list to the Board.

§ 51.1-1103. "Eligible volunteer rescue squad worker" defined.

"Eligible volunteer rescue squad worker" means any volunteer rescue squad worker who is a member of a volunteer rescue or emergency medical squad unit in a county, city or town in the Commonwealth and who has attended a minimum of thirty-six hours of training and meetings in the last calendar year. Each squad or unit shall annually determine those volunteer workers who meet the eligibility qualifications and report their names to its respective governing body, which, upon determination of the validity and accuracy of the qualifications, shall promptly certify the list to the Board.

§ 51.1-1104. Application for membership in Fund; monthly payments by members; matching payments from the general fund; payments credited to separate accounts of members.

Eligible volunteer firefighters, eligible volunteer rescue squad workers, and all persons who subsequently become eligible volunteer firefighters and eligible volunteer rescue workers may apply to the Board for membership in the Fund. Upon becoming a member of the Fund, each volunteer shall pay ten dollars per month into the Fund for a period not to exceed twenty years. Each monthly payment

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60 made by a member shall be matched by such contribution from the general fund of the state treasury to
61 the Fund as shall be determined by the Board and as may be appropriated by the General
62 Appropriations Act. The monthly payments and the matching contributions shall be credited to the
63 separate accounts of the members, and such accounts shall be kept so they are available for payment on
64 withdrawal from membership or retirement.

65 § 51.1-1105. Monthly pensions upon retirement.

66 Any member who has served twenty years as an eligible volunteer firefighter or eligible volunteer
67 rescue squad worker in the Commonwealth of Virginia and who has attained the age of fifty-five years
68 shall be entitled to be paid a monthly pension from the Fund. The monthly pension shall be \$141 per
69 month.

70 No person shall be entitled to a pension hereunder until his official duties as a volunteer firefighter
71 or rescue squad worker have been terminated and he has retired as such according to standards or
72 rules fixed by the Board.

73 The pensions provided shall be in addition to all other pensions or benefits under any other statutes
74 of the Commonwealth of Virginia or the United States, notwithstanding any exclusionary provision of
75 other pensions or retirement systems provided by law.

76 § 51.1-1106. Payments in lump sums.

77 The Board shall direct payment in lump sums from the Fund:

78 1. To any eligible volunteer firefighter or eligible volunteer rescue squad worker upon attaining age
79 fifty-five who, for any reason, is not qualified to receive the monthly retirement pension and who was
80 enrolled as a member of the Fund, an amount equal to the amount paid into the Fund by him. This
81 provision shall not be construed to preclude any eligible volunteer firefighter or eligible volunteer
82 rescue squad worker from completing the requisite number of years of active service, after attaining the
83 age of fifty-five, necessary to entitle him to the pension.

84 2. If an eligible volunteer firefighter or eligible volunteer rescue squad worker dies before attaining
85 the age at which a pension is payable to him under the provisions of this chapter, to his spouse; if there
86 is no spouse, to his children; if there are no children, then to his heirs-at-law as may be determined by
87 the Board; or to his estate, if it is administered and there are no heirs, an amount equal to the amount
88 paid into the Fund by the volunteer.

89 3. If an eligible volunteer firefighter or eligible volunteer rescue squad worker dies after beginning
90 to receive the pension payable to him by this chapter and before receiving an amount equal to the
91 amount paid into the Fund by him, to his spouse; if there is no spouse, then to his children; if there are
92 no children, then to his heirs-at-law as may be determined by the Board; or to his estate, if it is
93 administered and there are no heirs, an amount equal to the difference between the amount paid into
94 the Fund by the volunteer firefighter and volunteer rescue squad worker and the amount received by
95 him as a pensioner.

96 4. To any firefighter or rescue squad worker withdrawing from the Fund, upon proper application,
97 all moneys he contributed to the Fund without accumulated earnings on the payments after the time they
98 were made, less an administrative fee equal to the lesser of the amount the individual contributed to the
99 Fund or twenty-five dollars. Notwithstanding the foregoing, if any person, firm, corporation, or other
100 entity has made contributions on behalf of a member and that member withdraws from the Fund, such
101 person, firm, corporation, or other entity shall be entitled to a refund equal to the amount of its
102 contribution after the Board has been notified of the contributor's desire to be refunded such
103 contributions. Any refunds to a contributor other than a member shall also be subject to the
104 twenty-five-dollar administrative fee. If a refund is to be shared by a member and another party, the
105 administrative fee shall be applied to each portion on a pro rata basis.

106 § 51.1-1107. Pro rata reduction of benefits when Fund insufficient to pay in full.

107 If, for any reason, the moneys in the Fund are insufficient to pay in full any pension benefits or
108 other charges, then all benefits or payments shall be reduced pro rata, for as long as the deficiency
109 exists. No claim shall accrue with respect to any amount by which a pension or benefit payment has
110 been reduced.

111 § 51.1-1108. Determination of prior creditable service; information furnished by applicants for
112 membership.

113 The Board shall determine the number of years' credit for prior service of an eligible volunteer
114 firefighter or eligible volunteer rescue squad worker. Upon applying for membership in the Fund, such
115 volunteer shall furnish the Board the information as to prior service, if any. Notwithstanding any other
116 provisions of this chapter, the Board may grant qualified prior service credits to an eligible volunteer
117 firefighter or eligible rescue squad worker, under such terms and conditions that the Board may adopt,
118 if the Board determines that such volunteer has been denied such prior service credit through no fault
119 of his own.

120 § 51.1-1109. Length of service not affected by serving in more than one department or squad;
121 transfer from one department or squad to another.

122 *An eligible volunteer firefighter's or eligible volunteer rescue squad worker's length of service shall*
123 *not be affected by the fact that he may have served with more than one department or squad, and upon*
124 *transfer from one department or squad to another, notice of the fact shall be given to the Board.*
125 *§ 51.1-1110. Effect of member being six months delinquent in making monthly payments.*
126 *Any member who becomes six months delinquent in making the required monthly payments by the*
127 *tenth of the month shall forfeit his membership in the Fund.*
128 *§ 51.1-1111. Administrative fee for rejoining the Fund.*
129 *Any individual who had been a member of the Fund and who applies to rejoin the Fund shall not be*
130 *entitled to membership until he has paid an administrative fee of twenty-five dollars. The fee shall be in*
131 *addition to any other charges or payments required by the Board to rejoin the Fund based upon the*
132 *Fund's loss of earnings resulting from the member's withdrawal.*