

# 2014 Session Legislation

Bill Number	Patron/Topic or Code Section	Related Bills	Description
<b>VRS Requested Legislation</b>			
<a href="#">SB 87-S1</a>	<b>Senator John C. Watkins</b> Technical Amendments Finance Committee Substitute		Makes technical amendments to the programs administered by the Virginia Retirement System (VRS technical corrections bill). Adds references to non-vested Plan 1 employees. Makes Code changes to accommodate Plan 1 and Plan 2 employees who transfer into the Hybrid. Allows for consistency in the administration of the Hybrid.
<b>Legislation Affecting VRS: Judicial Retirement</b>			
<a href="#">HB 10</a>	<b>Delegate S. Chris Jones</b> Judges' Retirement Allowance and Service After Retirement		Provides that the annual retirement allowance of any person who has served as a judge but retires under a different defined benefit retirement plan shall not exceed 78 percent of the person's average final compensation, unless such person after ceasing to be a judge performs five or more years of creditable service under such other defined benefit retirement plan. However, in no case shall such person's annual retirement allowance exceed 100 percent of his average final compensation. The bill clarifies that only those persons who retired as a judge or justice may serve as a senior jurist on the Supreme Court or the Court of Appeals. The bill also contains technical amendments.
<a href="#">HB 81</a>	<b>Delegate Patrick Hope</b> Mandatory Judicial Retirement (Age 73)		Increases the mandatory retirement age under the Judicial Retirement System from 70 years of age to 73 years of age.
<a href="#">HB 279</a>	<b>Delegate David B. Albo</b> Mandatory judicial retirement age (After 70)	<b>Similar to HB 81</b>	Increases mandatory judicial retirement to the expiration of a judge's term after the age of 70. However, the bill only becomes effective if the Judicial Performance Evaluation Program is funded and implemented.
<a href="#">HB 299</a>	<b>Delegate G. Manoli Loupassi</b> Judicial retirement system; weighted years of service factor.		Eliminates the class of judicial retirees created in 2010 for whom the weighted years of service factor is dependent upon age. Under the bill, the weighted years of service factor for all judges entering the system on and after January 1, 1995, is 2.5. Judges entering the system earlier have a weighted years of service factor of 3.5. The bill does not change recent amendments to the judicial retirement system: (i) the setting of a "normal retirement date" of age 65 for judges and (ii) the reduction of the annual retirement allowance from 1.7 to 1.65 for members entering the system on and after January 1, 2013, parroting the change made for all VRS members who enter the system on or after July 1, 2010, or who had less than 60 months of creditable service as of January 1, 2013.
<a href="#">SB 170-S1</a>	<b>Senator William M. Stanley Jr.</b> Mandatory judicial retirement (Age 73)	<b>Similar to HB 81</b>	Increases the mandatory retirement age under the Judicial Retirement System from 70 years of age to 73 years of age.

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<b>Legislation Affecting VRS: Health Insurance Credit for State/Local Employees</b>			
<a href="#">HB 110</a>	<b>Delegate Delores L. McQuinn</b> Health Insurance Credit for Retired School Division Employees		Requires that localities provide the \$4 HIC to all retired employees of local school divisions with at least 15 years of total creditable service, including nonprofessional staff employed by school boards.
<a href="#">HB 1104</a>	<b>Delegate Riley E. Ingram</b> Retired State Employees; HIC	Same as SB 103	Increases the amount of the monthly health insurance credit for retired state employees from \$4 per year of creditable service to \$5 per year of creditable service.
<a href="#">SB 103</a>	<b>Patron: Senator Frank M. Ruff Jr.</b> Retired state employees; health insurance credit	Same as HB 1104	Increases the amount of the monthly health insurance credit for retired state employees from \$4 per year of creditable service to \$5 per year of creditable service and increases LTD minimum to \$150 from \$120.
<a href="#">SB 109</a>	<b>Senator William M. Stanley Jr.</b> Health Insurance Credit		Increases the monthly health insurance credit for retired local government employees, local officers, general registrars, employees of a general registrar, and employees of local social services boards from \$1.50 per year of creditable service with a cap of \$45, to \$4 per year of creditable service, with no cap.
<b>Legislation Affecting VRS: Life Insurance</b>			
<a href="#">HB 1105</a>	<b>Delegate Riley E. Ingram</b> Retired State Employees; Life Insurance	Combines SB 101 and SB 102	Provides (i) that the basic life insurance coverage for retired employees with 15 or more years of creditable service shall not be reduced to less than \$8,000, indexed to the amount of any general salary increases for state employees, and (ii) that retired employees be offered optional group life insurance coverage with premiums to be paid by the retirees.
<a href="#">SB 101</a>	<b>Senator Frank M. Ruff Jr.</b> Life insurance for retired state employees		Provides that retired state employees be offered optional group life insurance coverage with premiums to be paid by the retirees.
<a href="#">SB 102</a>	<b>Senator Frank M. Ruff Jr.</b> Life insurance for retired state employees	Same as HB 1105	Provides that the basic life insurance coverage for retired employees with 15 or more years of creditable service shall not be reduced to less than \$8,000, indexed to the amount of any general salary increases for state employees.

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<a href="#">SB 385</a>	<b>Senator Bryce E. Reeves</b> VRS and local government retirement systems; investments.		Authorizes the Virginia Retirement System and any local government retirement system to purchase investment grade life insurance policies and annuity policies on their members or retirees, provided that (i) the applicable retirement system offers a monetary benefit to a beneficiary selected by the member or retiree and (ii) the member or retiree consents to such retirement system having an insurable interest in him.
<b>Legislation Affecting VRS: Law Enforcement/Enhanced Benefits</b>			
<a href="#">HB 306</a>	<b>Delegate L. Scott Lingamfelter</b> Deputy sheriffs; eligibility for enhanced retirement benefits.		Provides that any prior service of a deputy sheriff as a commissioned conservation officer of the Department of Conservation and Recreation would count toward any vesting requirement for enhanced retirement benefits for deputy sheriffs and would be deemed as service rendered in a hazardous position for the purpose of determining eligibility for the annual retirement supplement paid to deputy sheriffs. The provisions of the bill would apply to persons retiring on or after July 1, 2014.
<a href="#">HB 686</a>	<b>Delegate Luke E. Torian</b> Retirees hired as school board security personnel		Provides that retired law-enforcement officers may be hired as local school board security officer or security personnel without interruption of their retirement benefits under certain conditions.
<a href="#">HB 983</a>	<b>Delegate Benjamin L. Cline</b> VRS; retirement credits for special forest wardens.		Provides retirement credits to special forest wardens of the Department of Forestry who participate directly in extinguishing forest fires. Such persons would receive eight hours of retirement credits for each day or portion of a day in which they participate directly in extinguishing a forest fire. The retirement credits could be used to reduce the years of service otherwise required for eligibility for an unreduced service retirement allowance, but not below 25 years of service. Each month of service would be eliminated at the rate of one month of service for each 173 hours of retirement credits.
<a href="#">SB 256</a>	<b>Senator R. Creigh Deeds</b> Virginia Law Officers' Retirement System; conservation officers.		Adds conservation officers of the Department of Conservation and Recreation as members of the Virginia Law Officers' Retirement System. Conservation officers would accrue retirement benefits under the Virginia Law Officers' Retirement System only for creditable service on or after July 1, 2014.
<a href="#">SB 566</a>	<b>Senator Charles J. Colgan</b> VRS Benefits (SPORS)		Provides for an increase, beginning July 1, 2014, of the monthly retirement allowance payable to any person who retired with at least 15 years of creditable service before January 1, 1990, under the Virginia Retirement System or the State Police Officers' Retirement System (or predecessor retirement systems).

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<b>Legislation Affecting VRS: Line of Duty Act (LODA)</b>			
<a href="#">HB 1230</a>	<b>Delegate Mark Sickles</b> Line of Duty Act; funding and review	<a href="#">See HJ103</a>	Creates a Line of Duty Death and Health Benefits Fund and provides for the funding of Line of Duty claims from the local communication sales tax revenue. The bill also establishes an advisory review board to assist the Comptroller in the review of claims involving a claimant who has not received a disability determination from the Virginia Retirement System, Social Security Administration, Workers' Compensation Commission, or any recognized retirement system or who is, as of the time the claim for benefits had been filed, working in an alternative position.
<a href="#">HJ 103</a>	<b>Delegate Chris Jones</b> Study; JLARC; Virginia's Line of Duty Act; report		Directs the Joint Legislative Audit and Review Commission to study Virginia's Line of Duty Act, the current and projected future costs of benefits awarded thereunder, and the advisability of coordinating those benefits with additional benefits paid under other state and federal programs.
<b>Legislation Affecting VRS: Defined Contribution Plans</b>			
<a href="#">HB 147</a>	<b>Delegate John O'Bannon</b> Deferred compensation plan for Medicaid program independent contractors.		Authorizes the Board of Trustees of the Virginia Retirement System to develop policies and procedures to allow certain independent contractors performing services for the Commonwealth's Medicaid program to participate in the deferred compensation plan for employees of the Commonwealth and authorizes the Director of the Department of Medical Assistance Services to provide payments or transfers to and to participate in any deferred compensation plan for independent contractors providing services for the Commonwealth's Medicaid program established by the Board.
<a href="#">HB 182</a>	<b>Delegate Peter Farrell</b> Retirement benefits for local employees		Provides that any locality may establish and maintain a defined contribution retirement plan for its employees in lieu of any other retirement plans for employees hired on or after July 1, 2014.
<a href="#">SB 188</a>	<b>Senator Ryan T. McDougle</b> Deferred compensation plans for state and local employees.		Authorizes the inclusion of a Roth contribution program in deferred compensation retirement plans for state and local government employees beginning July 1, 2015.
<a href="#">HB 700</a>	<b>Delegate Riley E. Ingram</b> Optional retirement plans maintained by institutions of higher ed	<a href="#">Same as SB 79</a>	Allows the governing board of an institution of higher education that has established its own optional retirement plan to establish a policy regarding the number of years of service that an employee must perform before being entitled to receive all contributions made by the institution on his behalf to the plan. The policy would only apply to employees hired on or after July 1, 2014, who are not in continuous service at the time of hiring.

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<a href="#">HB 877</a>	<b>Delegate Chris Jones</b> Hybrid retirement program; local deferred compensation and cash match plans	Same as SB 422	Allows political subdivisions the option of establishing and administering their own deferred compensation and cash match plans for all retirement programs if they elect not to participate in the plan administered by the Board of Trustees of the Virginia Retirement System for the hybrid retirement program. The bill also states that employees and state or local entities are not liable for loss.
<a href="#">SB 79-S1</a>	<b>Senator Frank M. Ruff Jr.</b> <b>Finance Committee Substitute</b> Optional retirement plan maintained by institution of higher education; withdrawal of contribution before retirement		Allows the governing board of an institution of higher education that is authorized to maintain its own ORP to establish a vesting policy regarding the number of years of creditable service that an employee must have before being eligible for an unreduced refund of employer contributions if he ceases to be an employee other than by death or retirement. The policy would only apply to employees hired on or after July 1, 2014.
<a href="#">SB 412</a>	<b>Senator Emmett W. Hanger Jr.</b> DC Plans for Medicaid Dentists	HB 147	Authorizes the Board of Trustees of the Virginia Retirement System to develop policies and procedures to allow certain independent contractors performing services for the Commonwealth's Medicaid program to participate in the deferred compensation plan for employees of the Commonwealth and authorizes the Director of the Department of Medical Assistance Services to provide payments or transfers to and to participate in any deferred compensation plan for independent contractors providing services for the Commonwealth's Medicaid program established by the Board.
<a href="#">SB 422</a>	<b>Senator John C. Watkins</b> Hybrid retirement program; local deferred compensation and cash match plans.	Same as HB 877	Allows political subdivisions the option of establishing and administering their own deferred compensation and cash match plans for all retirement programs if they elect not to participate in the plan administered by the Board of Trustees of the Virginia Retirement System for the hybrid retirement program. The bill also states that employees and state or local entities are not liable for loss.

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<b>Legislation Affecting VRS: Investments</b>			
<a href="#">HB 178</a>	<b>Delegate Peter Farrell</b> Assumed rate of return on investments		Provides that if the General Assembly adopts an assumed rate of return on investments that is different from the rate used by the Board of the Virginia Retirement System (VRS) in determining employer contribution rates for contributions to VRS, the Board shall recalculate the employer contribution rate for each employer to incorporate the assumed rate of return adopted by the General Assembly. The Board is required to provide each employer with its adjusted employer contribution rate as soon as possible.
<a href="#">HB 688</a>	<b>Delegate Luke E. Torian</b> Management of assets of nongovernmental investors		Authorizes the Virginia Retirement System to create an entity to administer and manage the assets of other state and local government-related entities and nongovernmental investors (private individuals) beginning January 1, 2015. Such entity would be allowed to charge for its services.
<a href="#">HJ 104</a>	<b>Delegate David E. Yancey</b> VRS Stop-loss orders		Encourages the Virginia Retirement System to place stop-loss orders on securities it holds.
<b>Legislation Affecting VRS: Disability Program</b>			
<a href="#">SB 89</a>	<b>Senator Stephen D. Newman</b> Disability program for hybrid retirement plan participants		Provides that a disability program that provides income protection of at least 60% through the use of paid leave, or disability payments, is deemed a program comparable to the Virginia Retirement System's (VRS's) disability program for hybrid retirement plan participants, which an employer may provide in lieu of VRS's program.
<b>Other Legislation Affecting VRS</b>			
<a href="#">HB 181</a>	<b>Delegate Peter Farrell</b> Collection of overpayments to retirees and beneficiaries		Prohibits VRS from collecting overpayments made to a retiree or beneficiary if the proximate cause of the overpayment was a computational error made by VRS or one of its employees, subsidiaries, affiliates, agents, or contractors and the retiree or beneficiary could not reasonably have been expected to detect the error or overpayment. Under the bill, VRS would correct the error as soon as practicable in order that the amount legally due would be paid to the retiree or beneficiary on a going forward basis.

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<a href="#">SB 420</a>	<b>Senator Emmett W. Hanger</b> VRS Impact Statements		Requires VRS impact statements to detail the financial impact of a proposed bill on members and beneficiaries.
<a href="#">SB 457</a>	<b>Senator Mark Obenshain</b> Charter School Personnel		Allows public charter schools to designate in their applications whether their employees will participate in the Virginia Retirement System. The bill directs the Board of Trustees of the Virginia Retirement System to develop procedures allowing school boards that approve such applications to exempt the charter school employees from participation. The bill also (i) requires at least 75 percent of public charter elementary school teachers to be licensed and at least 50 percent of public charter middle and high school teachers to be licensed and (ii) specifies that all teachers otherwise be "highly qualified," as defined by the federal Elementary and Secondary Education Act.
<b>VRS Related Budget Amendments Dealing with New GASB Standard for Local Governments</b>			
<a href="#">136 #15h</a>	<b>Delegate Davis</b>		Changes the flow of dollars for the state's share of teacher retirement costs. Instead of the state making payments of their portion of teacher retirement costs to the local school divisions, who in turn make the full payments to VRS, the state would now make its share of payments directly to VRS. This is intended to result in the allocation to the state of its share of unfunded liability for teacher retirement rather than the full liability being borne solely by localities. This does not change the amount paid by the state for teacher retirement; it only takes out the locality as the "middle man" between the state and VRS with regard to state VRS payments.
<a href="#">136 #5s</a>	<b>Senator Black</b>		Changes the flow of dollars for the state's share of teachers' retirement costs from first being paid to the local school divisions, who in turn made their full payments to VRS, instead to being paid directly from the state to VRS. This is intended to result in the allocation to the state, for accounting purposes, of its share of the unfunded liability for teachers' retirement rather than being entirely allocated to localities.
<a href="#">136 #6s</a>	<b>Senator Locke</b>		Changes the flow of dollars for the state's share of teachers' retirement costs from first being paid to the local school divisions, who in turn made their full payments to VRS, instead to being paid directly from the state to VRS. This is intended to result in the allocation to the state, for accounting purposes, of its share of the unfunded liability for teachers' retirement rather than being entirely allocated to localities. In this absence of such a change, under new GASB standards, the full amount of the unfunded liability, accumulated over many years, will be assigned entirely to the locals.
<a href="#">136 #4s</a>	<b>Senator McWaters</b>		Changes the flow of dollars for the state's share of teachers' retirement costs from first being paid to the local school divisions, who in turn made their full payments to the Virginia Retirement System (VRS), instead to being paid directly from the state to VRS. This is intended to result in the allocation to the state, for accounting purposes, of its share of the unfunded liability for teachers' retirement rather than being entirely allocated to localities.