

Central Appropriations

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Language

Language:

Page 328, after line 49, insert:

"H. Notwithstanding any prior election made under the provisions of § 51.1-144F, Code of Virginia, except for employees hired on or after July 1, 2010, with no prior service credit in the Virginia Retirement System, any political subdivision or school system employer may elect, in a manner prescribed by the Board, to pay any portion of its employees' required member contribution in whole percentages from one to five percent of creditable compensation. An employer's election shall apply uniformly to all of its covered employees subject to the provisions of this paragraph. Such payments shall be credited to the members' contribution accounts. These contributions shall not be considered wages for purposes of Chapter 7, Title 51.1, Code of Virginia, nor shall they be considered to be salary for purposes of Chapter 1, Title 51.1, Code of Virginia. Contributions paid by members shall be paid on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code."

Amendments to House Bill 30, as Introduced

Explanation:

(This amendment replaces language included in the introduced budget to clarify that units of local government, school boards, and other political subdivisions shall have the option of paying any portion of its employees' member contributions to VRS, unless their employees are hired on or after July 1, 2010, and fall under the provisions of House Bill 1189. Both state and local employees hired on or after July 1, 2010, will fall under the provisions of House Bill 1189 and be subject to mandatory five percent member contributions. The language in this amendment is permissive and modifying the employee contributions would be at the discretion of the local government or school board.)