

2014 Legislation

APRIL 2014

Summary of VRS Bills



This summary provides an overview of bills passed during the 2014 session of the General Assembly that affect the Virginia Retirement System (VRS). Select the bill number to link to the bill on the Legislative Information System (LIS). From each bill's summary page, select the link to the PDF version beside "Governor: Acts of Assembly Chapter text."

2014 Bills

[House Bill 10](#) Judicial Retirement System (JRS) members who change jobs and retire under another defined benefit plan cannot receive a retirement benefit that exceeds 78 percent of his or her average final compensation unless the member has five or more years of creditable service under another VRS defined benefit plan after leaving JRS.

In addition, only judges or justices who retire from JRS may be recalled temporarily and those who retire under another VRS plan are ineligible for a temporary recall. Only judges who are eligible for retirement under JRS may be designated a senior justice and only judges who retire under JRS may be designated as a senior judge.

This bill contains an emergency clause and is now effective.

[House Bill 147](#) Dentists who are contractors performing services for the state Medicaid program may participate in the Commonwealth of Virginia 457 Deferred Compensation Plan under the Department of Medical **and** **[Senate Bill 412](#)** Assistance Services. This bill takes effect January 1, 2015, and expires January 1, 2020.

[House Bill 700](#) The governing board of higher education institutions that establish and maintain an optional retirement plan can establish a vesting policy for employer contributions for new employees hired on **and** **[Senate Bill 79](#)** or after July 1, 2014.

[House Joint Resolution 103](#) The Joint Legislative Audit and Review Commission (JLARC) will perform a two-year study of the Line of Duty Act, including, but not limited to, the current implementation of the program, current and projected future costs and coordinating those benefits with other state and federal benefits.

(continued)

2014 Bills (continued)

Senate Bill 87 This bill provides technical amendments to several VRS programs. Examples include:

- Sets the cost of refunded service at 4 percent for Hybrid Retirement Plan members.
- Allows prior service in other VRS plans to count toward vesting in the defined contribution component of the Hybrid Retirement Plan.
- Clarifies that all Hybrid Retirement Plan employees have the same defined benefit provisions as Plan 2 employees.

Senate Bill 188 Effective July 1, 2015, a Roth option will be available in the Commonwealth of Virginia 457 Deferred Compensation Plan. A Roth option allows employees to defer compensation on an after-tax basis.