Year	Bill Number	Summary of Changes
2013	Budget Bill	Optional Retirement Plan. Employers will not pay a surcharge for faculty employees who are in an Optional Retirement Plan (ORP). Employers will only pay the ORP contribution rate for these employees. A state agency that involuntarily separates employees under the Workforce Transition Act will be required to make a direct payment to VRS for 15 percent of an employee's creditable compensation unless the involuntary separation meets certain requirements in the Appropriation Act and Department of Human Resource Management (DHRM) personnel policies, as certified by the Department of Planning and Budget (DPB) and DHRM. Employers that meet the requirements will be eligible for the contribution holiday under the Workforce Transition Act if certified by DPB and DHRM.
2013	HB 1532 and SB 854	Hazardous Duty. For political subdivisions that have not adopted enhanced benefits for some or all of their hazardous duty employees (law enforcement, emergency medical technicians and firefighters), this bill offers an opportunity for employers to make an irrevocable election to provide Plan 1 age and service provisions for Plan 2 employees. Employers may make this election for any of these hazardous duty groups with an effective date no earlier than January 1, 2014. In addition, once you make this election, your selected hazardous duty employees hired after January 1, 2014 will not be eligible for the Hybrid Retirement Plan and will be covered under Plan 2 with Plan 1 age and service provisions. Under Plan 1 age and service requirements, employees can retire with an unreduced benefit at age 65 with at least five years of service credit or age 50 with at least 30 years of service credit. Employees can retire with a reduced benefit at age 55 with at least five years of service credit or age 50 with at least 10 years of service credit.
2013	SB 995	Technical Corrections.A number of technical corrections were made to retirement plan provisions enacted by the 2012 General Assembly. Examples include: Hybrid Retirement Plan participants are not subject to automatic enrollment in the supplemental Commonwealth of Virginia 457 Deferred Compensation Plan sponsored by VRS. However, eligible employees can enroll voluntarily. Hybrid Retirement Plan participants are not eligible to participate in the Commonwealth of Virginia Cash Match Plan until they meet the maximum voluntary contribution amounts for the defined contribution portion of the Hybrid Retirement Plan. The Cash Match Plan is part of the VRS-sponsored deferred compensation plan and is optional for participating employers. State employees who previously opted out of the Virginia Sickness and Disability program (VSDP) and elect to opt into the Hybrid Retirement Plan during a one-time election window must participate in VSDP. Judges appointed after January 1, 2014 also will participate in VSDP. Under the Virginia Local Disability Program or a comparable plan, school divisions and political subdivisions that provide health insurance coverage to employees also must provide health insurance to those on short-term disability and offer a group rate, if any, to employees on long-term disability.
2012	HB 1130 and SB 498	Defined Benefit Plan Adjustments. Changes to the following features of the defined benefit plan: average final compensation; retirement multiplier; earliest eligible retirement date; purchase of prior service; cost of living (COLA) adjustment effective date; COLA calculation. Creates mandatory hybrid plan for all employees hired as of 1/1/2014. Localities must purchase their own long term disability coverage or opt into VLDP.
2012	SB 497	Political Subdivision and School Board Member Contributions. School division and political subdivision employees whose employers currently pay all or part of the 5 percent ontribution on their behalf will begin paying the member contribution effective July 1, 2012 on a salary reduction basis. Employers have the option to elect to phase in the amount the employee pays at a minimum of 1 percent in each of the next fi ve years. The bill provides for an offsetting salary increase in the amount the employee begins paying on July 1. All Plan 1 and Plan 2 employees who are hired or re-employed on or after July 1, 2012 must pay the entire 5 percent member contribution with no phase-in option.
2011	Budget Bill	Changes provisions of: Plan 1 Member Contributions; State Employer Contribution Payments; Line of Duty Act Fund; Cash Match Increase for DC Plan Participants; Employer Contribution Rate Increases.
2011	HB 1794	Collection of Overpayments. Under certain conditions, VRS may collect member or beneficiary benefit overpayments from the employer. These situations include overpayments resulting from: A retiree granted a salary increase by the employer that is not related to a promotion and the primary purpose is to increase the retiree's benefit; An employer hiring a retiree in a non-covered position without complying with the provisions that govern the bona fide break in service and other return-to-work requirements; or an employer hiring a retiree in a covered position while the employee continues to receive a retirement benefit.
2011	HB 1795	Technical Corrections for Plan 2 Members. Provisions of various Virginia Code sections have been updated to recognize the difference in certain benefits for Plan 2 members: Plan 2 state employees must be at least age 60 to qualify for retirement under the Workforce Transition Act (WTA); An employee who is approved for disability benefits on or after the date that is five years prior to his or her normal retirement date is eligible for five years of disability benefits; Certain state employees and county, city and town employees covered under VRS who have 20 or more years of service credit may be eligible to retire with an unreduced benefit at age 50 if they are in Plan 1 or age 60 if they are in Plan 2 if they are involuntarily separated from employment; Plan 2 death-in-service benefit calculations for non-hazardous duty employees will assume age 60; optional group life insurance coverage for Plan 2 disability and service retirees and their dependents will continue until their normal retirement age under their plan if they do not convert their coverage to an individual policy upon retirement. HB 1795 also allows members covered under the Virginia Sickness and Disability Program (VSDP) to purchase prior service credit for periods on short-term work-related disability when the 5 percent employee contribution was not made because the employee was receiving workers' compensation benefits and not the VSDP benefit. The purchase rate is 5 percent of creditable compensation.

2011	HB 2905	Loss of Benefits for Certain Felony Convictions. Upon notification by the employer to VRS, members who are convicted of a felony associated with the performance of their job duties on or after July 1, 2011 will forfeit their eligibility for retirement, life insurance, VSDP and VSDP long-term care benefits. If these members are convicted after they begin receiving benefits, their benefits will stop. These members will be eligible for a full or partial refund of their member contributions and interest based on whether or not they are vested, as provided under legislation effective last July 1. If the person returns to a covered position at a later date, the service lost as a result of the felony action cannot be purchased.
2010	HB 1189 and SB 232	Plan Design Changes. This bill creates a new benefit structure for members hired or rehired on or after July 1, 2010. The new provisions are referred to as the VRS Plan 2 and the current provisions as the VRS Plan 1. “Rehired” members are those who take a refund of the funds in their member contribution account or optional retirement plan account from a previous position and return to covered employment with no service credit in VRS. Current members, deferred members and current retirees are in Plan 1. Deferred members are not currently employed but still have service credit in VRS.
2010	HB 560	Virginia Sickness and Disability Program. Last year, the 2009 Appropriations Act provided for a one-year eligibility period for non-work related short-term disability coverage and a 60 percent cap on short-term disability income replacement during the first five years of employment for members hired or rehired on or after July 1, 2009. HB 560 codifies these changes in the Code of Virginia Title 51.1.
2010	HB 561	Optional Life Insurance. This bill clarifies that the VRS Board of Trustees sets the maximum amount of optional life insurance. It also clarifies that members on leave without pay while on active military duty are responsible for paying their optional life insurance premiums.
2010	HB 562	Cost-of-Living Adjustment (COLA). This bill clarifies that during periods of deflation, the VRS COLA adjustment will be 0 percent rather than a negative percentage that would result in a reduction in the monthly retirement benefit. Retirees become eligible for an annual COLA beginning on July 1 of the second calendar year after retirement.
2010	HB 892	Refunds. This bill requires that members who are not vested are not eligible for a refund of any contributions employers may make to their member contribution accounts after July 1, 2010 or the interest accrued on those funds. Vested members will continue to receive a refund of employer-paid member contributions and member-paid contributions, plus interest. All member-paid contributions are refundable regardless of vesting.
2009	Budget Bill	Virginia Sickness and Disability Program. The Appropriations Act provided for the following changes to the Virginia Sickness and Disability Program (VSDP): State employees hired or rehired on or after July 1, 2009 become eligible for nonwork related disability coverage after one year of continuous employment. Their eligibility for sick, family and personal leave, work-related disability coverage and coverage under the VSDP Long-Term Care Plan is effective with the first day of employment. In addition, they receive income replacement equal to 60 percent of their pre-disability income for non-work related or workrelated short-term disability during the fi rst five years of continuous employment. After five years, they become eligible for 100 percent of their pre-disability income at the beginning of a short-term disability period, which decreases to 80 percent and then 60 percent depending on their months of career state service. The time period between successive periods of short-term disability increased from 14 to 45 consecutive calendar days. An employee who goes on short-term disability, returns to work with a full release from his or her physician and then goes out again for the same condition within 45 consecutive calendar days is considered to be on the same claim. Th e employee does not have to fulfi ll another seven-calendar day waiting period, and the VSDP benefi t resumes at the same income replacement level. In addition, the days the employee works between successive periods of short-term disability do not reduce the days remaining on short-term disability.
2009	SB 919	K-12 Critical Shortage Positions. Extended the sunset date from July 1, 2010 to July 1, 2015 for provisions allowing retirees to be hired as teachers or school administrative personnel in K-12 critical shortage positions without interruption in their retirement benefits.
2008	HB 245	Child Support Liens. Allows the Department of Social Services (DSS) to file child support liens against members' and retirees' life insurance policies administered by VRS. Upon the death of any member or retiree with such a lien, VRS must disburse life insurance proceeds to DSS to satisfy the member's or retiree's outstanding child support obligations before distributing the remainder to the member's or retiree's beneficiaries.
2007	HB 1830	Deferred Compensation Plan. Changed the participation in the deferred compensation plan. All classified state employees hired or re-hired on or after January 1, 2008 will automatically be enrolled in the Commonwealth of Virginia 457 Deferred Compensation Plan and given the opportunity to opt out of the plan within 90 days after the first deferral.
2007	HB 2370 and SB 1218	Health Insurance Credit. Increased the monthly health insurance credit from $2.50 to $4 for each year of service credit for teachers and school administrators who retire with at least 15 years of service credit, effective July 1, 2007. The bill also removed the health insurance credit maximum of $75 per month for retired teachers with more than 30 years of service and changed the formula for the health insurance credit for disability retirement.
2006	SB 99	Teaching in Critical Shortage Areas. Allows retirees other than retired teachers to teach in critical shortage areas while continuing to receive a retirement allowance provided the retiree becomes licensed by the Virginia Board of Education to serve as a teacher or an administrator in a local public school system.
2005	HB 1651	Group Life Insurance. Changed the maximum limits for optional life insurance and the timeframe for review of the maximum limits by the VRS Board of Trustees.
2005	HB 1925	Health Insurance Credit. Requires constitutional officers to have at least 15 years of service as a constitutional officer in order to qualify for the health insurance credit. This legislation codified budget language from the 2004 General Assembly session.
2005	SB 785	Mandatory Retirement Payments. Conformed state statutes to federal regulations regarding mandatory payments of retirement benefits at age 70 years and six months for members no longer working in a VRS-covered position.

2004	HB 199	Basic Group Life Insurance. Provides retirees who have at least 20 years of creditable service and return to work in a covered position with life insurance coverage equal to either twice their annual salary or the amount for which they would have been eligible had they remained retired, whichever is greater. House Bill 199 also provides that active members with at least 20 years of creditable service will have their life insurance benefit based on their highest annual salary.
2004	HB 551	Administrative Fees. Permits political subdivisions offering the deferred compensation program to collect the administrative fees that VRS charges from their employees participating in the plan.
2004	HB 576	Virginia Supplemental Retirement Plan. Allows school boards to offer a new supplemental retirement benefit, called the Virginia Supplemental Retirement Plan (VSRP), to qualified employees who serve in under-achieving schools as "turnaround specialists" or members of the Middle School Teacher Corps. VSRP does not replace the defined benefit plan.
2003	HB 1717	Option for School Superintendents. Allows school superintendents with five years of VRS service to purchase an additional 10 years of out of state service. The superintendent must be ineligible for an out-of-state benefit. The cost to purchase the service is 10 percent if purchased within one year of becoming eligible to purchase. If purchased after the first year of becoming eligible the cost moves to actuarial equivalent cost. The employer may purchase the service for the superintendent. If, after purchasing the service, the superintendent does not remain in employment for a period equal to the service purchased, the remaining service purchased is removed from the record and the contributions are refunded.
2003	HB 2487	New Plan Option. This bill provides members with a temporarily increased retirement benefit. Members who retire from service on or after July 1, 2003 and who have not attained normal retirement age under the Social Security Act may elect to receive an increased retirement allowance based on their estimated Social Security benefit. This temporarily increased benefit begins on the effective date of retirement and continues to the age specified by the member for the benefit to reduce. The age specified by the member must be at least age 62, but no later than the retiree's normal retirement age under the Social Security Act. The legislation prohibits a benefit to decrease more than 50 percent of the member's basic benefit at the time the member attains the age chosen for the benefit to decrease. Cost-of-living allowance increases after retirement is calculated on the basic benefit amount. A member retiring under 50/10 is ineligible to elect this option. These payments cannot be rolled over to another qualified plan or IRA.
2003	SB 905	Life Insurance. Senate Bill 905 changes the basis for determining the amount of life insurance coverage in retirement from the final salary paid to an employee to the highest salary paid. The legislation also affects the amount of life insurance coverage for retirees who return to covered employment. The amount of life insurance will be based on the higher of the amount the individual was receiving in retirement or the amount the individual is eligible for based on the salary of the current position. An individual must have retired with 25 years or more of service and after July 1, 1999 to be eligible for the higher benefit.