

Request to Amend House Bill 30, as Introduced

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Dance	71	1 h Funding for Circuit Court Clerks Career Development Program
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Chief Patron: Bell, Richard

Item 415 #1h

Public Safety	FY 14-15	FY 15-16
Department Of State Police	\$5,400,000	\$0 GF

Language:

Page 338, line 39, strike "\$21,210,243" and insert "\$26,610,243".

Page 338, before line 51, insert "A."

Page 339, after line 9, insert:

"B. Out of the amounts appropriated for this item, \$5,400,000 the first year from the general fund is provided to support a one-time increase in salaries of sworn State Police officers of 3.5 percent."

Explanation:

(This amendment provides general fund dollars to provide a one-time salary increase of 3.5 percent for sworn State Police officers. The source of the funding for the amendment is the unappropriated balance contained in the introduced budget.)

Chief Patron: Dance

Item 71 #1h

Co-Patron(s): Joannou, O'Bannon

Administration	FY 14-15	FY 15-16
Compensation Board	\$75,374	\$606,683 GF

Language:

Page 53, line 44, strike "\$51,265,877" and insert "\$51,341,251".

Page 53, line 44, strike "\$51,265,877" and insert "\$51,872,560".

Page 56, after line 10, insert:

"O. Included in the appropriation are \$75,374 the first year and \$301,495 the second year from the general fund for the Deputy Clerks of Circuit Courts' Career Development Program.

P. Included in the appropriation is \$305,188 the second year from the general fund for the Circuit Court Clerks' Career Development Program."

Explanation:

(This amendment adds funding to support the participation of 29 circuit court clerks and 100 deputy court clerks, 25 in the first year, in the career development programs. The introduced budget does not include funding for these programs, where clerks will be eligible for participation in fiscal year 2016 and deputy clerks will be eligible for participation beginning in fiscal year 2015. Funding would align the

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salaries of eligible deputies and officers with other constitutional officer groups that are currently funded for participation in their respective career development programs.)

Chief Patron: Fariss

Item 73 #4h

Co-Patron(s): Byron, Ransone

Administration

FY 14-15

FY 15-16

Compensation Board

\$9,257,059

\$9,257,059 GF

Language:

Page 57, line 19, strike "\$2,389,282" and insert "\$11,646,341".

Page 57, line 19, strike "\$2,452,479" and insert "\$11,709,538".

Page 60, after line 12, insert:

"R.1 Subsequent to effectuating other salary adjustments provided in this Act, the base salary of full-time employees of locally elected constitutional officers who have five years or more of continuous service in one or more such office or offices shall be increased by \$65 for each full year of service, except for sworn deputies in sheriffs' offices and regional jails, who shall receive \$70 for each full year of service, up to a maximum of 30 years, effective July 1, 2014. The Compensation Board shall develop guidelines and procedures for implementation of this salary compression compensation adjustment.

2. Out of funds appropriated in this item, \$9,257,059 in the first year from the general fund and \$9,257,059 in the second year from the general fund are included to support the general fund costs associated with the salary adjustment authorized in this paragraph. The Department of Planning and Budget shall transfer the amounts necessary to fund this salary compression compensation adjustment from this item to the relevant items for each constitutional office program."

Explanation:

(This amendment includes \$9.3 million from the general fund each year to provide a compression salary adjustment to employees of constitutional offices modeled similar to the adjustment included for state employees in fiscal year 2014. Constitutional office employees received an additional one percent salary increase in fiscal year 2014 in lieu of the compression adjustment. Amendment proposes that the unappropriated balance in the introduced budget should be used to fund this amendment.)

Chief Patron: Farrell

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Item 482 #1h

Independent Agencies	FY 14-15	FY 15-16	
Virginia Retirement System	\$20,000	\$20,000	NGF

Language:

Page 416, line 19, strike "\$12,386,585" and insert "\$12,406,585".

Page 416, line 19, strike "\$12,386,585" and insert "\$12,406,585".

Explanation:

(This amendment provides \$20,000 from the nongeneral fund each year to fund the administrative impact of House Bill 178 which 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.)

Chief Patron: Ingram

Item 68 #2h

Co-Patron(s): Anderson, BaCote, Dance, Helsel,
Howell, Algie, James, Joannou, Landes, O'Bannon,
Poindexter

Administration	FY 14-15	FY 15-16	
Compensation Board	\$40,202	\$43,857	GF

Language:

Page 50, line 33, strike "\$5,405,563" and insert "\$5,445,765".

Page 50, line 33, strike "\$5,405,563" and insert "\$5,449,420".

Page 51, after line 16, insert:

"C.1. Included in the appropriation are \$40,202 the first year and \$43,857 the second year from the general fund to support a two percent salary adjustment for entry-level deputies (levels I-II) and equivalent administrative staff employed in offices of Directors of Finance.

2. Localities shall not utilize Compensation Board funding provided to fund the two percent salary adjustment to supplant local funds."

Explanation:

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(This amendment provides a two percent salary adjustment for entry-level staff employed by Directors of Finance. Companion amendments provide identical salary adjustments for employees in the Commissioners of Revenue and Treasurers offices. The requested cost for all three amendments is \$153,326 from the general fund in fiscal year 2015 and \$167,265 from the general fund in fiscal year 2016.)

Chief Patron: Ingram

Item 69 #3h

Co-Patron(s): Anderson, BaCote, Dance, Helsel,
Howell, Algie, James, Joannou, Landes, O'Bannon,
Poindexter

Administration	FY 14-15	FY 15-16	
Compensation Board	\$60,877	\$66,411	GF

Language:

Page 51, line 18, strike "\$17,775,127" and insert "\$17,836,004".

Page 51, line 18, strike "\$17,775,127" and insert "\$17,841,538".

Page 52, after line 9, insert:

"F.1. Included in the appropriation is \$60,877 the first year and \$66,411 the second year from the general fund to support a two percent salary adjustment for entry-level deputies (levels I-II) and equivalent administrative staff employed in offices of Local Commissioners of Revenue.

2. Localities shall not utilize Compensation Board funding provided to fund the two percent salary adjustment to supplant local funds."

Explanation:

(This amendment provides a two percent salary adjustment for entry-level staff employed by Directors of Finance. Companion amendments provide identical salary adjustments for employees in the Directors of Finance and Treasurer's offices. The requested cost for all three amendments is \$153,326 from the general fund in fiscal year 2015 and \$167,265 from the general fund in fiscal year 2016.)

Chief Patron: Ingram

Item 70 #2h

Co-Patron(s): Cline, Gilbert, Head

Administration	FY 14-15	FY 15-16	
Compensation Board	\$356,980	\$356,980	GF

Language:

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Page 52, line 11, strike "\$70,045,082" and insert "\$70,402,062".
Page 52, line 11, strike "\$70,045,082" and insert "\$70,402,062".
Page 53, line 41, strike "\$109,425 the first year and \$109,425" and insert:
"\$466,405 the first year and \$466,405".

Explanation:

(This amendment provides an additional \$356,980 from the general fund each year in funding for the Assistant Commonwealth's Attorneys' Career Development program. This funding, in addition to the \$109,425 in annual funding included in the introduced budget, would be sufficient to provide the salary supplement to all employees, as of November 2013, who had met the criteria for the program but were not receiving the supplement due to funding.)

Chief Patron: Ingram

Item 72 #3h

Co-Patron(s): Anderson, BaCote, Dance, Helsel, James,
Joannou, Landes, O'Bannon, Poindexter, Howell, Algie

Administration

FY 14-15

FY 15-16

Compensation Board

\$52,247

\$56,996 GF

Language:

Page 56, line 11, strike "\$16,718,005" and insert "\$16,770,252".
Page 56, line 11, strike "\$16,718,005" and insert "\$16,775,001".
Page 52, after line 9, insert:

"F.1. Included in the appropriation are \$52,247 the first year and \$56,996 the second year from the general fund to support a two percent salary adjustment for entry-level deputies (levels I-II) and equivalent administrative staff employed in offices of Local Treasurers.

2. Localities shall not utilize Compensation Board funding provided to fund the two percent salary adjustment to supplant local funds."

Explanation:

(This amendment provides a two percent salary adjustment for entry-level staff employed by Directors of Finance. Companion amendments provide identical salary adjustments for employees in the Directors of Finance and Commissioners of Revenue offices. The requested cost for all three amendments is \$153,326 from the general fund in fiscal year 2015 and \$167,265 from the general fund in fiscal year 2016.)

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Chief Patron: Ingram

Item 467 #2h

Central Appropriations	FY 14-15	FY 15-16	
Central Appropriations	\$5,828,000	\$5,828,000	GF

Language:

Page 397, line 4, strike "\$120,942,739" and insert "\$126,770,739".

Page 397, line 4, strike "\$157,709,181" and insert "\$163,537,181".

Page 400, after line 31, insert:

"7. Out of the general fund appropriation for this item are included \$5,828,000 the first year and \$5,828,000 the second year to fund the impact on the Virginia Retirement Systems rates from the enactment of House Bill 1104 of the 2014 General Assembly Session."

Explanation:

(This amendment provides \$5.8 million from the general fund each year to reflect the impact of the passage of House Bill 1104 of the 2014 General Assembly session. House Bill 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. In addition to the general fund impact of House Bill 1104, there is an estimated nongeneral fund impact of \$6.0 million each year.)

Chief Patron: Ingram

Item 467 #3h

Central Appropriations	FY 14-15	FY 15-16	
Central Appropriations	\$957,000	\$957,000	GF

Language:

Page 397, line 4, strike "\$120,942,739" and insert "\$121,899,739".

Page 397, line 4, strike "\$157,709,181" and insert "\$158,666,181".

Page 400, after line 31, insert:

"7. Out of the general fund appropriation for this item are included \$957,000 the first year and \$957,000 the second year to fund the impact on the Virginia Retirement Systems rates from the enactment of House Bill 1105 of the 2014 General Assembly Session."

Explanation:

(This amendment provides \$957,000 from the general fund each year to reflect the impact of the passage of House Bill 1104 of the 2014 General Assembly session. House Bill 1104 sets a minium life insurance benefit for retirees who have more than

15 years of state service.)

Chief Patron: Jones

Item 4-14.00 #1h

Effective Date

Effective Date

Language

Language:

Page 504, after line 34, insert:

"2. That §§ 51.1-169, 51.1-600, 51.1-603, 51.1-603.1, 51.1-607, 51.1-610, and 51.1-611 of the Code of Virginia are amended and reenacted as follows:

§ 51.1-169. Hybrid retirement program.

A. For purposes of this section, "hybrid retirement program" or "program" means a hybrid retirement program covering any employee in a position covered for retirement purposes under the provisions of Chapter 1 (§ 51.1-124.1 et seq.) for retirement purposes other than the Virginia Retirement System defined benefit retirement plan established under Chapter 1 (§ 51.1-124.1 et seq.). Except as provided in § 51.1-302, persons who are participants in, or eligible to be participants in, the retirement plans under the provisions of Chapter 2 (§ 51.1-200 et seq.), Chapter 2.1 (§ 51.1-211 et seq.), Chapter 3 (§ 51.1-300 et seq.), the optional retirement plans established under §§ 51.1-126.1, 51.1-126.3, 51.1-126.4, and 51.1-126.7, or a person eligible to earn the benefits permitted by § 51.1-138 shall not be eligible to participate in the hybrid retirement program. Any person who is employed as a firefighter, emergency medical technician, or law-enforcement officer as those terms are defined in § 15.2-1512.2 and whose employing political subdivision has legally adopted an irrevocable resolution as described in subdivision B 4 of § 51.1-153 and subdivision A 3 of § 51.1-155 shall not be eligible to participate in the hybrid retirement program.

The Board shall maintain the hybrid retirement program established by this section, and any employer is authorized to make contributions under such program for the benefit of its employees participating in such program. Every person who is otherwise eligible to participate in the program but is not a member of a retirement plan administered by the Virginia Retirement System the first time he is hired on or after January 1, 2014, in a covered position, shall participate in the hybrid retirement program established by this section.

A person who participates in the otherwise applicable defined benefit retirement plan established by this title and administered by the Virginia Retirement System under this chapter may make an irrevocable election to participate in the hybrid retirement program maintained under this section. Such election shall be exercised no later than April 30, 2014. If an election is not made by April 30, 2014, such employee shall be

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deemed to have elected not to participate in the hybrid retirement program and shall continue to participate in his current retirement plan.

B. 1. The employer shall make contributions to the defined benefit component of the program in accordance with § 51.1-145.

2. The employer shall make a mandatory contribution to the defined contribution component of the program on behalf of an employee participating in the program in the amount of one percent of creditable compensation. In addition, the employer shall make a matching contribution on behalf of the employee based on the employee's voluntary contributions under the defined contribution component of the program to the deferred compensation plan *or 403(b) plan* established under § 51.1-602 *or 51.1-603* , up to a maximum of 2.5 percent of creditable compensation for the payroll period, as follows: (i) 100 percent of the first one percent of creditable compensation contributed by the employee to the defined contribution component of the program under subdivision C 2 for the payroll period, and (ii) 50 percent of the next three percent of creditable compensation contributed by the employee to the defined contribution component of the program under subdivision C 2 for the payroll period. The matching contribution by the employer shall be made to the appropriate cash match plan established for the employee under § 51.1-608 *or 51.1-610* .

3. The total amount contributed by the employer under subdivision 2 shall vest to the employee's benefit according to the following schedule:

a. Upon completion of two years of continuous participation in the program, 50 percent. b. Upon completion of three years of continuous participation in the program, 75 percent.

c. Upon completion of four years of continuous participation in the program, 100 percent.

If an employee terminates employment with an employer prior to achieving 100 percent vesting, contributions made by an employer on behalf of the employee under subdivision 2 that are not vested, shall be forfeited. The Board *or a county, municipality, authority, or other political subdivision of the Commonwealth, as appropriate,* may establish a forfeiture account and may specify the uses of the forfeiture account.

4. An employee may direct the investment of contributions made by an employer under subdivision B 2.

5. No loans or hardship distributions shall be available from *mandatory contributions or matching contributions on behalf of the employee based on the employee's voluntary contributions under the defined contribution component of the program to the deferred compensation plan established under § 51.1-602* made by an employer under subdivision B 2.

C. 1. An employee participating in the hybrid retirement program maintained under

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this section shall, pursuant to procedures established by the Board, make mandatory contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code (i) to the defined benefit component of the program in the amount of four percent of creditable compensation in lieu of the amount described in subsection A of § 51.1-144 and (ii) to the defined contribution component of the program in the amount of one percent of creditable compensation.

2. An employee participating in the hybrid retirement program may also make voluntary contributions to the defined contribution component of the program of up to four percent of creditable compensation or the limit on elective deferrals pursuant to §§ *403(b) and 457(b)* of the Internal Revenue Code, whichever is less. The contribution by the employee shall be made to the appropriate deferred compensation plan *or 403(b) plan* established by the employee under § 51.1-602 *or 51.1-603* .

3. If an employee's voluntary contributions under subdivision C 2 are less than four percent of creditable compensation, the contribution will increase by one-half of one percent, beginning on January 1, 2017, and every three years thereafter, until the employee's voluntary contributions under subdivision C 2 reach four percent of creditable compensation. The increase will be effective beginning with the first pay period that begins in such calendar year unless the employee elects not to increase the voluntary contribution in a manner prescribed by the Board *or a county, municipality, authority, or other political subdivision of the Commonwealth, as appropriate* .

4. No loans or hardship distributions shall be available from *mandatory or voluntary contributions under the defined contribution component of the program to the deferred compensation plan established under § 51.1-602* made by an employee under this subsection.

D. 1. The amount of the service retirement allowance under the defined benefit component of the program shall be governed by § 51.1-155, except that the allowance shall equal one percent of a member's average final compensation multiplied by the amount of his creditable service while in the program. For judges who are participating in the hybrid retirement program, creditable service shall be determined as provided in § 51.1-303.

2. No member shall retire for disability under the defined benefit component of the program.

3. In all other respects, administration of the defined benefit component of the program shall be governed by the provisions of Chapter 1 (§ 51.1-124.1 et seq.).

E. With respect to any employee who elects, pursuant to subsection A, to participate in the otherwise applicable defined benefit retirement plan established by this title and administered by the Virginia Retirement System, the employer shall collect and pay all employee and employer contributions to the Virginia Retirement System for retirement and group life insurance in accordance with the provisions of Chapter 1 (§ 51.1-124.1

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et seq.) for such employee.

F. 1. The Board *or a county, municipality, authority, or other political subdivision of the Commonwealth, as appropriate*, shall develop policies and procedures for administering the ~~hybrid retirement~~ program it maintains, including the establishment of guidelines for employee elections and deferrals under the program.

2. No employee who is an active member in the hybrid retirement program maintained under this section shall also be an active member of any other optional retirement plan maintained under the provisions of Chapter 1 (§ 51.1-124.1 et seq.).

3. If a member of the hybrid retirement program maintained under this section is at any time in service as an employee in a position covered for retirement purposes under the provisions of Chapter 1 (§ 51.1-124.1 et seq.), 2 (§ 51.1-200 et seq.), 2.1 (§ 51.1-211 et seq.), or 3 (§ 51.1-300 et seq.), his benefit payments under the hybrid retirement program maintained under this section shall be suspended while so employed; provided, however, reemployment shall have no effect on a payment under the defined contribution component of the program if the benefit is being paid in an annuity form under an annuity contract purchased with the member's account balance.

4. Any administrative fee imposed pursuant to subdivision A 13 of § 51.1-124.22 on any employer for administering and overseeing the hybrid retirement program maintained under this section shall be charged for each employee participating in such program and shall be for costs incurred by the Virginia Retirement System that are directly related to the administration and oversight of such program.

5. The creditable compensation for any employee on whose behalf employee or employer contributions are made into the hybrid retirement program shall not exceed the limit on compensation as adjusted by the Commissioner of the Internal Revenue Service pursuant to the transition provisions applicable to eligible participants under state and local governmental plans under § 401(a)(17) of the Internal Revenue Code as amended in 1993 and as contained in § 13212(d)(3) of the Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66).

6. The Board may contract with private corporations or institutions, subject to the standards set forth in § 51.1-124.30, to provide investment products as well as any other goods and services related to the administration of the hybrid retirement program. The Virginia Retirement System is hereby authorized to perform related services, including but not limited to, providing consolidated billing, individual and collective recordkeeping and accountings, and asset purchase, control, and safekeeping.

§ 51.1-600. Definitions.

As used in this chapter, unless the context requires a different meaning:

“403(b) plan” means a plan by which an employee defers some portion of income until some stated time in the future; provides that the federal and state income tax on such income will be deferred until the actual receipt of such income; and is

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established pursuant to the provisions of § 403(b) of the Internal Revenue Code of 1986, as amended.

"Act" means the Government Employees Deferred Compensation Plan Act.

"Board" means the Board of Trustees of the Virginia Retirement System.

"Deferred compensation plan" means a plan by which an employee defers some portion of income until some stated time in the future; provides that the federal and state income tax on such income will be deferred until the actual receipt of such income; and is established pursuant to the provisions of § 457 of the Internal Revenue Code of 1986, as amended.

"Employee" means, in the case of the plan described in § 51.1-602, all persons employed by a participating employer, including appointed or elected officials. In the case of a plan adopted by a county, municipality, authority or other political subdivision pursuant to § 51.1-603, an employee shall be defined by such county, municipality, authority or other political subdivision.

"Participating employer" means the Commonwealth or any political subdivision that has elected pursuant to § 51.1-603.1 to participate in the deferred compensation plan established by the Board pursuant to this chapter.

§ 51.1-603. Local deferred compensation or 403(b) plans.

A. Any county, municipality, authority, or other political subdivision of the Commonwealth may by ordinance or resolution adopt and establish for itself and its employees a deferred compensation plan *or 403(b) plan* . Any such deferred compensation plan *or 403(b) plan* may include constitutional officers and their employees, *as appropriate* . The ordinance or resolution adopting or establishing such plan shall create or designate an appropriate board or officer to administer the plan, and shall confer upon such board or officer the authority to do all things by way of supervision, administration, and implementation of the plan, including the power to contract with private corporations or institutions for services in connection therewith. The deferral of compensation may be accomplished by payroll deductions by the appropriate officer of the county, municipality, authority, or other political subdivision.

B. If it deems it advisable, any county, municipality, authority, or other political subdivision of the Commonwealth, which by ordinance or resolution adopts and establishes for itself and its employees a deferred compensation plan *or 403(b) plan* , may (i) create a trust or other special fund for the segregation of the funds or assets resulting from compensation deferred at the request of its employees for the implementation of such plan or (ii) provide that its employees who commence employment or reemployment on or after a specified date, and who have not affirmatively elected to participate in such deferred compensation plan ~~or in a plan established by such political subdivision pursuant to § 403(b) of the Internal Revenue~~

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~~Code of 1986, as amended or 403(b) plan~~, shall participate in either such deferred compensation plan or 403(b) plan, as determined by the political subdivision, at such initial default amount or rate of deferral as it may determine, unless such employee elects, in a manner prescribed by the plan administrator, not to participate in the plan.

C. In the case of a plan administered by the Board or a county, municipality, authority, or other political subdivision of the Commonwealth, as appropriate, which provides individual accounts permitting an employee or beneficiary to exercise discretion over assets in his account, the Board and a county, municipality, authority, or other political subdivision of the Commonwealth, as appropriate, shall not be liable for any loss resulting from such employee's or beneficiary's (i) exercise of discretion over the assets in his account or (ii) inaction with respect to the assets in his account that results in such assets being placed in a default investment option selected by the Board or a county, municipality, authority, or other political subdivision of the Commonwealth, as appropriate.

§ 51.1-603.1. Participation by employees of political subdivisions in deferred compensation plan of Virginia Retirement System.

A. The Virginia Retirement System may enter into an agreement with any political subdivision of the Commonwealth to permit participation by the political subdivision's employees in the deferred compensation plan established and administered by the Board pursuant to § 51.1-602, except that political subdivisions of the Commonwealth otherwise participating in the retirement system pursuant to Article 5 (§ 51.1-130 et seq.) of Chapter 1 shall participate in (i) the deferred compensation plan established and administered by the Board pursuant to § 51.1-602 to the extent necessary to provide benefits under the hybrid retirement program described in § 51.1-169 or (ii) the deferred compensation plan or 403(b) plan established and administered by a political subdivision pursuant to § 51.1-603 .

B. The political subdivision may provide in the agreement that its employees who (i) commence employment or reemployment on or after a specified date occurring on or after the effective date of this provision in the agreement, (ii) are not participating in the hybrid retirement program described in § 51.1-169, and (iii) have not affirmatively elected to participate in the plan described in § 51.1-602 or a plan established by such political subdivision pursuant to § 403(b) of the Internal Revenue Code of 1986, as amended, shall participate in either such plan described in § 51.1-602 or a 403(b) plan, as determined by the political subdivision, unless such employee elects, in a manner prescribed by the Board, not to participate in such plan. The amount of the deferral for any such employee participating in the plan shall equal, on a semimonthly basis, \$20 of otherwise payable compensation, unless the employee elects to defer a greater amount.

§ 51.1-607. Definitions.

As used in this chapter, unless the context requires a different meaning:

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"Board" means the Board of Trustees of the Virginia Retirement System.

"Cash match plan" means a plan established pursuant to the provisions of § 401 (a) of the Internal Revenue Code of 1986, as amended, to which a participating employer contributes based on contributions made by an employee to a deferred compensation plan or to a plan established pursuant to § 403-(b) *or* 457(b) of the Internal Revenue Code of 1986, as amended. Alternatively, if the Board *or a county, municipality, authority, or other political subdivision of the Commonwealth* determines that it is appropriate, such plan may be established pursuant to § 403-(b) *or* 457(b) of the Internal Revenue Code of 1986, as amended.

"Deferred compensation plan" means a plan described in Chapter 6 (§ 51.1-600 et seq.) of this title.

"Employee" means, in the case of the plan described in § 51.1-608, any salaried person, including appointed or elected officials, providing services for a participating employer. In the case of a plan adopted by a county, municipality, authority or other political subdivision pursuant to § 51.1-610, an employee shall be defined by such county, municipality, authority or other political subdivision.

"Participating employer" means the Commonwealth or any political subdivision that has elected pursuant to § 51.1-603.1 to participate in the deferred compensation plan established by the Board pursuant to Chapter 6 (§ 51.1-600 et seq.) of this title or a sponsor of a plan established pursuant to § 403-(b) *or* 457(b) of the Internal Revenue Code of 1986, as amended.

"Qualified participant" means, in the case of a plan established pursuant to § 51.1-608, an employee of a participating employer who is making continuous deferrals of at least ten dollars per pay period to the deferred compensation plan established by the Board pursuant to Chapter 6 (§ 51.1-600 et seq.) of this title or to a plan established pursuant to § 403-(b) of the Internal Revenue Code of 1986, as amended. The determination of whether an employee is making continuous deferrals shall be made by the Board. In the case of a plan established pursuant to subsection D of § 51.1-608 or § 51.1-610, qualified participant means an employee described by the governing body establishing such plan in the documents setting forth the details of such plan.

§ 51.1-610. Local cash match plans.

A. Any county, municipality, authority, or other political subdivision of the Commonwealth may by ordinance or resolution adopt and establish for itself and its employees a cash match plan. Any such cash match plan may include constitutional officers and their employees. The ordinance or resolution adopting or establishing such plan shall create or designate an appropriate board or officer to administer the plan, and shall confer upon such board or officer the authority to do all things by way of supervision, administration, and implementation of the plan, including the power to contract with private corporations or institutions for services in connection therewith.

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B. If it deems it advisable, any county, municipality, authority, or other political subdivision of the Commonwealth, which by ordinance or resolution adopts and establishes for itself and its employees a cash match plan, may create a trust or other special fund for the segregation of the funds or assets resulting from contributions.

~~C. No amount shall be credited pursuant to any cash match plan created pursuant to this section on behalf of a qualified participant who is participating in the hybrid retirement program described in § 51.1-169 if the qualified participant has not contributed the maximum amount of voluntary contributions under subdivision C 2 of § 51.1-169~~ *In the case of a plan administered by the Board or a county, municipality, authority, or other political subdivision of the Commonwealth, as appropriate, which provides individual accounts permitting an employee or beneficiary to exercise discretion over assets in his account, the Board and a county, municipality, authority, or other political subdivision of the Commonwealth, as appropriate, shall not be liable for any loss resulting from such employee's or beneficiary's (i) exercise of discretion over the assets in his account or (ii) inaction with respect to the assets in his account that results in such assets being placed in a default investment option selected by the Board or a county, municipality, authority, or other political subdivision of the Commonwealth, as appropriate .*

§ 51.1-611. Participation by employees of political subdivisions in cash match plan of Virginia Retirement System.

The Virginia Retirement System may enter into an agreement with any political subdivision of the Commonwealth to permit participation by the political subdivision's employees in the cash match plan established and administered by the Board pursuant to § 51.1-607, except that political subdivisions of the Commonwealth otherwise participating in the retirement system pursuant to Article 5 (§ 51.1-130 et seq.) of Chapter 1 shall participate in the cash match plan (i) established and administered by the Board pursuant to § 51.1-608 to the extent necessary to provide benefits under the hybrid retirement program described in § 51.1-169 or (ii) established and administered by a political subdivision of the Commonwealth pursuant to § 51.1-610 ."

Page 504, line 35, before "That" strike "2." and insert "3."

Page 504, line 37, before "That" strike "3." and insert "4."

Page 504, line 38, strike "enactment" and insert "and third enactments".

Explanation:

(This amendment would allow school divisions, and their employees, the option of investing the optional portion of the defined contribution part of the hybrid plan in either the VRS administered DC plan or an independent 403(B) retirement plan.)

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Chief Patron: Kilgore

Item 73 #2h

Co-Patron(s): Berg, Dance, James, Joannou

Administration	FY 14-15	FY 15-16	
Compensation Board	\$9,257,059	\$9,257,059	GF

Language:

Page 57, line 19, strike "\$2,389,282" and insert "\$11,646,341".

Page 57, line 19, strike "\$2,452,479" and insert "\$11,709,538".

Page 60, after line 12, insert:

"R.1 Subsequent to effectuating other salary adjustments provided in this Act, the base salary of full-time employees of locally elected constitutional officers who have five years or more of continuous service in one or more such office or offices shall be increased by \$65 for each full year of service, except for sworn deputies in sheriffs' offices and regional jails, who shall receive \$70 for each full year of service, up to a maximum of 30 years, effective July 1, 2014. The Compensation Board shall develop guidelines and procedures for implementation of this salary compression compensation adjustment.

2. Out of funds appropriated in this item, \$9,257,059 in the first year from the general fund, and \$9,257,059 in the second year from the general fund are included to support the general fund costs associated with the salary adjustment authorized in this paragraph. The Department of Planning and Budget shall transfer the amounts necessary to fund this salary compression compensation adjustment from this item to the relevant items for each constitutional office program."

Explanation:

(This amendment includes \$9.3 million from the general fund each year to provide a compression salary adjustment to employees of constitutional offices modeled similar to the adjustment included for state employees in fiscal year 2014. Constitutional office employees received an additional one percent salary increase in fiscal year 2014 in lieu of the compression adjustment.)

Chief Patron: Krupicka

Item 4-7.01 #1h

Statewide Plans

Manpower Control Program

Language

Language:

Page 496, line 27, after "g." insert "1".

Page 496 , after line 46 insert:

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"2. The provisions of paragraph g.1 above shall not be effective until such time as the federal requirement that employers offer health insurance to employees who work on average 30 or more hours per week is in effect."

Explanation:

(This amendment suspends the language included in the introduced budget limiting the number of hours part-time employees can work until the federal mandates related to employer-sponsored health insurance are in effect.)

Chief Patron: Lingamfelter

Item 415 #2h

Public Safety	FY 14-15	FY 15-16	
Department Of State Police	\$5,000,000	\$5,000,000	GF

Language:

Page 338, line 39, strike "\$21,210,243" and insert "\$26,210,243".

Page 338, line 39, strike "\$21,232,979" and insert "\$26,232,979".

Page 338, prior to line 51, insert "A."

Page 339, after line 9, insert:

"B. Out of the amounts for this item, \$5,000,000 the first year and \$5,000,000 the second year from the general fund is provided to provide a housing allowance for full-time sworn State Police officers based upon pay grade and geographical location. The rates of the variable allowance shall be based upon suggested rates developed and annually updated by the Department of Human Resource Management."

Explanation:

(This amendment provides additional general fund dollars to provide a housing allowance to full-time, sworn State Police officers. This housing allowance would be based upon the officer's pay grade and the geographical location to which the officer is assigned.)

Chief Patron: Lingamfelter

Item 467 #1h

Central Appropriations	FY 14-15	FY 15-16	
Central Appropriations	\$50,000	\$50,000	GF

Language:

Page 397, line 4, strike "\$120,942,739" and insert "\$120,992,739".

Page 397, line 4, strike "\$157,709,181" and insert "\$157,759,181".

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Page 399, after line 19, insert:

"7. Out of the general fund appropriation for this item are included \$50,000 the first year and \$50,000 the second year to fund the impact on the Virginia Retirement Systems rates from the enactment of House Bill 306 of the 2014 General Assembly Session."

Explanation:

(This amendment provides \$50,000 from the general fund each year to reflect the impact of the passage of House Bill 306 of the 2014 General Assembly session. House Bill 306 provides that for any deputy sheriff who has prior service as a conservation officers for the Department of Conservation and Recreation, the prior service as a conservation officers shall be deemed as a hazardous duty service for purposes of determining retirement eligibility and enhanced hazardous duty supplements.)

Chief Patron: Loupassi

Item 37 #8h

Judicial Department

FY 14-15

FY 15-16

Supreme Court

\$5,851,277

\$5,851,277 GF

Language:

Page 21, line 40, strike "\$29,652,561" and insert "\$35,503,838".

Page 21, line 40, strike "\$29,904,609" and insert "\$35,755,886".

Page 23, after line 8, insert:

"K. Included in this appropriation are \$5,581,277 the first year and \$5,851,277 the second year from the general fund for salary adjustments for district court clerk positions. The Director of the Department of Planning and Budget shall transfer the amounts included for these salary adjustments to Items 40, 41, and 42 to reflect the distribution of the salary adjustment between the various district courts."

Explanation:

(This amendment provides \$5.9 million each year from the general fund to provide salary adjustments to district court clerk staff. This amendment seeks funding that would increase the average salary of current deputy clerks to \$36,544. Funding would also provide for a salary increase for 39 court clerks to \$42,000.)

Chief Patron: O'Bannon

Item 4-6.01 #1h

Positions and Employment

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Employee Compensation

Language

Language:

Page 485, line 27, after "Gunston Hall," insert "and".

Page 485, line 28, after "Board" strike "and the Virginia College Savings Plan Board".

Page 485, line 28, after "each museum," insert "and".

Page 485, line 29, strike ", and the Director of the Virginia College Savings Plan Board".

Page 489, after line 60, insert:

"9. Notwithstanding any provision of this Act, the Board of the Virginia College Savings Plan may supplement the compensation of its Chief Executive Officer. The Board should be guided by criteria that provide a reasonable limit on the total additional income of the Chief Executive Officer. The criteria should include, without limitation, a consideration of compensation paid to similar officials in comparable qualified tuition programs, independent public agencies, or other entities with similar responsibilities and size. The Board shall report such criteria and action taken to supplement such compensation to the Chairmen of the Senate Finance and House Appropriations Committees and shall report approved supplements to the Department of Human Resource Management for retention in its records."

Explanation:

(This amendment authorizes the Board of the Virginia College Savings Plan to approve a supplement to the salary of the plan's CEO.)

Chief Patron: Peace

Item 66 #3h

Administration

FY 14-15

FY 15-16

Compensation Board

\$1,274,176

\$1,274,176 GF

Language:

Page 44, line 14, strike "\$445,186,751" and insert "\$446,460,927".

Page 44, line 14, strike "\$449,649,742" and insert "\$450,923,918".

Page 47, line 35, strike "\$390,575 the first year and \$390,575" and insert: "\$1,664,750 the first year and \$1,664,750".

Explanation:

(This amendment provides an additional \$1.3 million from the general fund each year in funding for the master deputy program. This funding, in addition to the \$390,575 in annual funding included in the introduced budget, would be sufficient to

Request to Amend House Bill 30, as Introduced

provide the salary supplement to all employees, as of November 2013, who had met the criteria for the program but were not receiving the supplement due to funding.)

Chief Patron: Peace

Item 68 #1h

Administration	FY 14-15	FY 15-16	
Compensation Board	\$40,202	\$43,857	GF

Language:

Page 50, line 33, strike "\$5,405,563" and insert "\$5,445,765".

Page 50, line 33, strike "\$5,405,563" and insert "\$5,449,420".

Page 51, after line 16, insert:

"C.1. Included in the appropriation are \$40,202 the first year and \$43,857 the second year from the general fund to support a two percent salary adjustment for entry level deputies (levels I-II) and equivalent administrative staff employed in offices of Directors of Finance.

2. Localities shall not utilize Compensation Board funding provided to fund the two percent salary adjustment to supplant local funds."

Explanation:

(This amendment provides a two percent salary adjustment for entry-level staff employed by Directors of Finance. Companion amendments provide identical salary adjustments for employees in the Commissioners of Revenue and Treasurers offices. The requested cost for all three amendments is \$153,326 from the general fund in fiscal year 2015 and \$167,265 from the general fund in fiscal year 2016. A savings amendment reducing the appropriation for the Heartwood Center under Commerce and Trade provides an offset for these expenditures.)

Chief Patron: Peace

Item 69 #1h

Administration	FY 14-15	FY 15-16	
Compensation Board	\$60,877	\$66,411	GF

Language:

Page 51, line 18, strike "\$17,775,127" and insert "\$17,836,004".

Page 51, line 18, strike "\$17,775,127" and insert "\$17,841,538".

Page 52, after line 9, insert:

"F.1. Included in the appropriation is \$60,877 the first year and \$66,411 the second

Request to Amend House Bill 30, as Introduced

year from the general fund to support a two percent salary adjustment for entry level deputies (levels I-II) and equivalent administrative staff employed in offices of Local Commissioners of Revenue.

2. Localities shall not utilize Compensation Board funding provided to fund the two percent salary adjustment to supplant local funds."

Explanation:

(This amendment provides a two percent salary adjustment for entry-level staff employed by Directors of Finance. Companion amendments provide identical salary adjustments for employees in the Directors of Finance and Treasurer's offices. The requested cost for all three amendments is \$153,326 from the general fund in fiscal year 2015 and \$167,265 from the general fund in fiscal year 2016. A savings amendment reducing the appropriation for the Heartwood Center under Commerce and Trade provides an offset for these expenditures.)

Chief Patron: Peace

Item 72 #1h

Administration

FY 14-15

FY 15-16

Compensation Board

\$52,247

\$56,996 GF

Language:

Page 56, line 11, strike "\$16,718,005" and insert "\$16,770,252".

Page 56, line 11, strike "\$16,718,005" and insert "\$16,775,001".

Page 52, after line 9, insert:

"F.1. Included in the appropriation are \$52,247 the first year and \$56,996 the second year from the general fund to support a two percent salary adjustment for entry-level deputies (levels I-II) and equivalent administrative staff employed in offices of Local Treasurers.

2. Localities shall not utilize Compensation Board funding provided to fund the two percent salary adjustment to supplant local funds."

Explanation:

(This amendment provides a two percent salary adjustment for entry-level staff employed by Directors of Finance. Companion amendments provide identical salary adjustments for employees in the Directors of Finance and Commissioners of Revenue offices. The requested cost for all three amendments is \$153,326 from the general fund in fiscal year 2015 and \$167,265 from the general fund in fiscal year 2016. A savings amendment reducing the appropriation for the Heartwood Center under Commerce and Trade provides an offset for these expenditures.)

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Chief Patron: Peace

Item 104 #9h

Commerce and Trade	FY 14-15	FY 15-16	
Department Of Housing And Community Development	(\$153,326)	(\$167,265)	GF

Language:

Page 84, line 35, strike "\$41,025,438" and insert "\$40,872,112".

Page 84, line 35, strike "\$40,225,438" and insert "\$40,058,173".

Page 86, line 23, strike "\$850,000" and insert "\$696,674".

Page 86, line 23, strike "\$550,000" and insert "\$382,735".

Explanation:

(This amendment reduces funding provided to the Heartwood Artisan Center through the Department of Housing and Community Development. The amendment is intended to free up monies to fund a series of amendments in Items 68, 69, and 71 relating to salary increases for local Treasurers, Commissioners of Revenue, and Finance Directors.)

Chief Patron: Peace

Item 138 #3h

Education: Elementary & Secondary	FY 14-15	FY 15-16	
Opportunity Educational Institution	(\$600,059)	(\$600,059)	GF
	-7.00	-7.00	FTE

Language:

Page 138, line 32, strike "\$600,059" and insert "\$0".

Page 138, line 32, strike "\$600,059" and insert "\$0".

Page 138, strike lines 31 through 47.

Page 139, strike lines 1 through 57.

Page 140, strike lines 1 through 14.

Explanation:

(This amendment decreases \$600,059 the first year and \$600,059 the second year from the general fund and eliminates the seven associated full-time positions for the Opportunity Educational Institution. This amendment recognizes the ability of the Department of Education, given the authority, to perform this and/or related functions without growing government's education bureaucracy.)

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Chief Patron: Peace

Item 467 #4h

Central Appropriations

Central Appropriations

Language

Language:

Page 398, line 46, after "network." insert "The Department shall develop a plan to establish proportional parity between co-pay amounts for retail pharmacy services and home delivery pharmacy (mail service) to be implemented by July 1, 2105, or upon the effective date of the next contracted health plan for state employees, whichever is sooner. The Department shall report its plan to the Chairmen of the House Appropriations and Senate Finance Committees and to the Department of Planning and Budget by October 1, 2014."

Explanation:

(This amendment requires the Department of Human Resource Management to develop a proposal for proportional parity between co-pay amounts for retail pharmacy services and home delivery pharmacy (mail service) in the state employee health insurance program.)

Chief Patron: Poindexter

Item 84 #1h

Administration

FY 14-15

FY 15-16

Department Of Elections

\$100,000

\$100,000 GF

Language:

Page 68, line 9, strike "\$5,674,969" and insert "\$5,774,969".

Page 68, line 9, strike "\$5,674,969" and insert "\$5,774,969".

Page 70, after line 2, insert:

"D. Included in the appropriation for this item are \$100,000 the first year and \$100,000 the second year from the general fund to provide a two percent salary increase for General Registrars effective July 1, 2014."

Explanation:

(This amendment provides \$100,000 from the general fund in fiscal year 2015 and fiscal year 2016 to provide a two percent salary increase for General Registrars effective July 1, 2014.)

Chief Patron: Webert

Item 69 #2h

Request to Amend House Bill 30, as Introduced

Administration	FY 14-15	FY 15-16	
Compensation Board	\$130,000	\$130,000	GF

Language:

Page 51, line 18, strike "\$17,775,127" and insert "\$17,905,127".

Page 51, line 18, strike "\$17,775,127" and insert "\$17,905,127".

Page 51, strike line 36.

Page 51, line 37, strike "'10,000-19,999" and insert "Less than 20,000".

Explanation:

(This amendment adjusts the salary for the Commissioners of Revenue (the principal officer) in those localities with a population less than 10,000 by eliminating the lowest tier of the salary table and combining it with the next tier for localities with a population of 10,000-19,999. This would result in the salaries of these officials, in 16 localities, increasing from \$60,095 to \$66,775.)

Chief Patron: Webert

Item 72 #2h

Administration	FY 14-15	FY 15-16	
Compensation Board	\$130,000	\$130,000	GF

Language:

Page 56, line 11, strike "\$16,718,005" and insert "\$16,848,005".

Page 56, line 11, strike "\$16,718,005" and insert "\$16,848,005".

Page 51, strike line 36.

Page 51, line 37, strike "'10,000-19,999" and insert "Less than 20,000".

Explanation:

(This amendment adjusts the salary for the Treasurers (the principal officer) in those localities with a population less than 10,000 by eliminating the lowest tier of the salary table and combining it with the next tier for localities with a population of 10,000-19,999. This would result in the salaries of these officials, in 16 localities, increasing from \$60,095 to \$66,775.)

Chief Patron: Webert

Item 73 #3h

Administration	FY 14-15	FY 15-16	
Compensation Board	\$9,257,059	\$9,257,059	GF

Request to Amend House Bill 30, as Introduced

Language:

Page 57, line 19, strike "\$2,389,282" and insert "\$11,646,341".

Page 57, line 19, strike "\$2,452,479" and insert "\$11,709,538".

Page 60, after line 12, insert:

"R.1 Subsequent to effectuating other salary adjustments provided in this Act, the base salary of full-time employees of locally elected constitutional officers who have five years or more of continuous service in one or more such office or offices shall be increased by \$65 for each full year of service, except for sworn deputies in sheriffs' offices and regional jails, who shall receive \$70 for each full year of service, up to a maximum of 30 years, effective July 1, 2014. The Compensation Board shall develop guidelines and procedures for implementation of this salary compression compensation adjustment.

2. Out of funds appropriated in this item, \$9,257,059 in the first year from the general fund, and \$9,257,059 in the second year from the general fund are included to support the general fund costs associated with the salary adjustment authorized in this paragraph. The Department of Planning and Budget shall transfer the amounts necessary to fund this salary compression compensation adjustment from this item to the relevant items for each constitutional office program."

Explanation:

(This amendment includes \$9.3 million from the general fund each year to provide a compression salary adjustment to employees of constitutional offices modeled similar to the adjustment included for state employees in fiscal year 2014. Constitutional office employees received an additional one percent salary increase in fiscal year 2014 in lieu of the compression adjustment.)
