

# 2026 SESSION

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1 **HOUSE BILL NO. 1107**

2 Offered January 14, 2026

3 Prefiled January 14, 2026

4 *A BILL to amend and reenact § 51.1-155 of the Code of Virginia, relating to Virginia Retirement System;*  
5 *service retirement allowance; return to work.*

6 Patron—Kilgore

7 Referred to Committee on Appropriations

8 **Be it enacted by the General Assembly of Virginia:**

9 **1. That § 51.1-155 of the Code of Virginia is amended and reenacted as follows:**

10 **§ 51.1-155. Service retirement allowance.**

11 A. Retirement allowance. — A member shall receive an annual retirement allowance, payable for life, as  
12 follows:

13 1. Normal retirement. — The allowance shall equal 1.70 percent of his average final compensation  
14 multiplied by the amount of his creditable service. Notwithstanding the foregoing, for a member who (i) is a  
15 person who becomes a member on or after July 1, 2010, or (ii) does not have at least 60 months of creditable  
16 service as of January 1, 2013, the allowance shall equal the sum of (a) 1.65 percent of his average final  
17 compensation multiplied by the amount of his creditable service performed or purchased on or after January  
18 1, 2013, and (b) 1.70 percent of his average final compensation multiplied by the amount of all other  
19 creditable service.

20 2. Early retirement; applicable to teachers, state employees, and certain others. — The allowance shall be  
21 determined in the same manner as for normal retirement with creditable service and average final  
22 compensation being determined as of the date of actual retirement. If the member has less than 30 years of  
23 service at retirement, the amount of the retirement allowance shall be reduced on an actuarial equivalent basis  
24 for the period by which the actual retirement date precedes the earlier of (i) his normal retirement date or (ii)  
25 the first date on which he would have completed a total of 30 years of creditable service. The provisions of  
26 this subdivision shall apply to teachers and state employees. These provisions shall also apply to employees  
27 of any political subdivision that participates in the retirement system if the political subdivision makes the  
28 election provided in subdivision 3.

29 3. Early retirement; applicable to employees of certain political subdivisions, any person who becomes a  
30 member on or after July 1, 2010, and any member who does not have at least 60 months of creditable service  
31 as of January 1, 2013. — The allowance shall be determined in the same manner as for normal retirement  
32 with creditable service and average final compensation being determined as of the date of actual retirement. If  
33 the creditable service of the member equals 30 or more years but the sum of his age at retirement plus his  
34 creditable service at retirement is less than 90, the amount of the retirement allowance shall be reduced on an  
35 actuarial equivalent basis for the period by which the actual retirement date precedes the earlier of (i) his  
36 normal retirement date or (ii) the first date on which the sum of his then attained age plus his then creditable  
37 service would have been equal to 90 or more had he remained in service until such date. If the member has  
38 less than 30 years of creditable service, the retirement allowance shall be reduced for the period by which the  
39 actual retirement date precedes the earlier of (i) his normal retirement date or (ii) the first date on which he  
40 would have completed a total of at least 30 years of creditable service and his then creditable service plus his  
41 then attained age would have been equal to 90 or more.

42 The provisions of this subdivision shall apply to the employees of any political subdivision that  
43 participates in the retirement system and any other employees as provided by law. The participating political  
44 subdivision may, however, elect to provide its employees with the early retirement allowance set forth in  
45 subdivision 2. No such election shall be made for a person who becomes a member on or after July 1, 2010,  
46 or a member who does not have at least 60 months of creditable service as of January 1, 2013. Any election  
47 pursuant to this subdivision shall be set forth in a legally adopted resolution.

48 Notwithstanding the foregoing, a political subdivision by legally adopted resolution may declare to the  
49 Board that, for purposes of this subdivision, subdivisions B 1 and B 3 and subsection D of § 51.1-153, any  
50 person who meets the definition of "emergency medical services personnel" in § 32.1-111.1 or is employed as  
51 a firefighter or law-enforcement officer as those terms are defined in § 15.2-1512.2 (i) shall not be considered  
52 a person who becomes a member on or after July 1, 2010, and (ii) shall be deemed to have at least 60 months  
53 of creditable service as of January 1, 2013. Such resolution shall be irrevocable.

54 4. Additional allowance. — In addition to the allowance payable under subdivisions 1, 2, and 3, a member  
55 shall receive an additional allowance which shall be the actuarial equivalent, for his attained age at the time  
56 of retirement, of the excess of his accumulated contributions transferred from the abolished system to the

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59 retirement system, including interest credited at the rate of two percent compounded annually since the  
60 transfer to the date of retirement, over the annual amounts equal to four percent of his annual creditable  
61 compensation at the date of abolishment for a period equal to his period of membership in the abolished  
62 system.

63 5. 50/10 retirement. — The allowance shall be payable in a monthly stream of payments equal to the  
64 greater of (i) the actuarial equivalent of the benefit the member would have received had he terminated  
65 service and deferred retirement to age 55 or (ii) the actuarially calculated present value of the member's  
66 accumulated contributions, including accrued interest.

67 B. Beneficiary serving in position covered by this title.

68 1. Except as provided in subdivisions 2, 3, and 4, and 5, if a beneficiary of a service retirement allowance  
69 under this chapter or the provisions of Chapters 2 (§ 51.1-200 et seq.), 2.1 (§ 51.1-211 et seq.), or 3  
70 (§ 51.1-300 et seq.) is at any time in service as an employee in a position covered for retirement purposes  
71 under the provisions of this or any chapter other than Chapter 6 (§ 51.1-600 et seq.), 6.1 (§ 51.1-607 et seq.),  
72 or 7 (§ 51.1-700 et seq.), his retirement allowance shall cease while so employed. Any member who retires  
73 and later returns to covered employment shall not be entitled to select a different retirement option for a  
74 subsequent retirement.

75 2. Active members of the General Assembly who are eligible to receive a retirement allowance under this  
76 title, excluding their service as a member of the General Assembly, shall be eligible to receive a retirement  
77 allowance based on their creditable service and average final compensation for service other than as a  
78 member of the General Assembly. Such members of the General Assembly shall continue to be reported as  
79 any other members of the retirement system. Upon ceasing to serve in the General Assembly, members of the  
80 General Assembly receiving a retirement allowance based on their creditable service and average final  
81 compensation for service other than as a member of the General Assembly shall have their retirement  
82 allowance recomputed prospectively to include their service as a member of the General Assembly. Active  
83 members of the General Assembly shall be prohibited from receiving a service retirement allowance under  
84 this title based solely on their service as a member of the General Assembly.

85 3. (Expires July 1, 2028) Any person receiving a service retirement allowance under this chapter, who is  
86 hired by a local public school board (i) as an instructional or administrative employee required to be licensed  
87 by the Board of Education, (ii) in a specialized student support position as that term is described in subsection  
88 O of § 22.1-253.13:2, or (iii) as a school bus driver, may elect to continue to receive the retirement allowance  
89 during such employment, under the following conditions:

90 (a) The person has a break in service of at least six calendar months between retirement and returning to  
91 work full time for a local public school board;

92 (b) The person is not receiving a retirement benefit pursuant to an early retirement incentive program from  
93 any local public school division within the Commonwealth; and

94 (c) At the time the person is employed, the position to which he is assigned is among those identified by  
95 the Superintendent of Public Instruction pursuant to subdivision 4 of § 22.1-23, by the relevant division  
96 superintendent, pursuant to § 22.1-70.3, or by the relevant local public school board, pursuant to subdivision  
97 9 of § 22.1-79.

98 If the person elects to continue to receive the retirement allowance during the period of such employment,  
99 then his service performed and compensation received during such period of time will not increase, decrease,  
100 or affect in any way his retirement benefits before, during, or after such employment, nor shall such person be  
101 eligible to receive any retirement benefits available to him pursuant to Chapter 6.1 (§ 51.1-607 et seq.). In  
102 addition, the employer shall include the person's compensation in membership payroll subject to employer  
103 contributions under § 51.1-145.

104 4. (Expires July 1, 2028) Any person receiving a service retirement allowance under this title for service  
105 as a sworn law-enforcement officer and who is employed in a local public school division as a school security  
106 officer, as defined in § 9.1-101, may elect to continue to receive the retirement allowance during such  
107 employment under the following conditions: (i) the person has a break in service of at least six calendar  
108 months between retirement for service as a sworn law-enforcement officer and employment as a school  
109 security officer; (ii) the person is not receiving a retirement benefit pursuant to an early retirement incentive  
110 program from any local public school division within the Commonwealth; (iii) the person is not receiving a  
111 retirement benefit pursuant to an early retirement incentive program from any employer, as defined in  
112 § 51.1-124.3; and (iv) the person did not participate in any incentive program established under the second or  
113 third enactment of Chapters 152 and 811 of the Acts of Assembly of 1995. If the person elects to continue to  
114 receive the retirement allowance during the period of such employment, then his service performed and  
115 compensation received during such period of time will not increase, decrease, or affect in any way his  
116 retirement benefits before, during, or after such employment, nor shall such person be eligible to receive any  
117 retirement benefits available to him pursuant to Chapter 6.1 (§ 51.1-607 et seq.). In addition, the employer  
118 shall include the person's compensation in membership payroll subject to employer contributions under  
119 § 51.1-145.

120 5. a. Any person receiving a service retirement allowance under this chapter who is hired by the

121 *Department of Corrections as either a correctional officer, as defined in § 53.1-1, or an instructional*  
122 *employee required to be licensed by the Board of Education may elect to continue to receive the retirement*  
123 *allowance during such employment under the following conditions: (i) the person has a break in service of at*  
124 *least six calendar months between retirement and returning to work full time for the Department of*  
125 *Corrections; (ii) the person is not receiving a retirement benefit pursuant to an early retirement incentive*  
126 *program offered by the Department of Corrections; and (iii) in the case of a person receiving a service*  
127 *retirement allowance under this chapter who is hired by the Department of Corrections as a correctional*  
128 *officer, as defined in § 53.1-1, the person has successfully completed the minimum training standards*  
129 *established by the Department of Criminal Justice Services pursuant to § 9.1-102 within 12 months of his*  
130 *hire date. Failure to successfully complete the training required pursuant to subdivision (iii) shall result in*  
131 *the termination of his retirement allowance while employed in such correctional officer position.*

132 *b. If a person elects to continue to receive his retirement allowance during the period of such employment*  
133 *pursuant to subdivision a, then (i) the service performed and compensation received during such period of*  
134 *time shall not increase, decrease, or in any way affect the retirement benefits earned before, during, or after*  
135 *such employment; (ii) such person shall be eligible to receive any retirement benefits made available*  
136 *pursuant to Chapter 6.1 (§ 51.1-607 et seq.); and (iii) the employer shall include the person's compensation*  
137 *in membership payroll subject to employer contributions under § 51.1-145.*

138 At least once in each four-year period, in conjunction with the actuarial investigation made under  
139 subdivision A 4 of § 51.1-124.22, there shall be an actuarial investigation made of the experience under  
140 subdivisions B 3 and, 4, and 5 of this section, and the retirement system shall submit a report to the General  
141 Assembly advising it of the results of such investigation.