



Legislative update

Working for you

Gov. Ralph Northam's administration announced in a news release this week that it is prioritizing two initiatives to help recruit and retain top talent in the Commonwealth's public sector.

Two of the measures -- regarding a student loan repayment bonus and contributions to 529 plans -- are of special interest to the millennial generation.



1. Effective on Jan. 1, the sign-on and retention bonus enables agencies to make contributions to employee's Virginia 529 accounts. It is designed to act as an incentive to attract and retain those in critical or high-turnover positions.

2. The news release also says: "The Commonwealth has also promoted the public service student loan forgiveness program, through which employment at a state agency may qualify any employee to receive student loan forgiveness."

The VGEA legislative team has reached out to the office of Keyanna Conner, Secretary of the Administration, to learn more about these initiatives and to discuss how VGEA can be of assistance in the enactment, implementation and utilization of these programs. The office is working to arrange a meeting in the near future.

For more information, see the Governor's [news release](#).

Proposal to increase health insurance credit for retirees

Sen. Frank Ruff (SB1122) and Del. Riley Ingram (HB2152) have introduced legislation that would increase annually the amount of the health insurance credit for retirees who rendered at least 30 years of creditable service in the Virginia Retirement System.

The bill would increase the credit by the same percentage as any annual post-retirement supplement calculated for employees hired on or after July 1, 2010.



SB1122 has been referred to Senate Finance Committee, and HB2152 has been referred to the House Appropriations Subcommittee on Compensation and Retirement

Also, Sen. Ryan T. McDougle has pledged to introduce legislation amending VA Code 51.1-1405(B) to strike the highlighted language below.

"A state retiree shall be eligible to participate in the retiree health benefits program only if he makes an election to participate in the program within 31 days following the date of termination of employment with the Commonwealth. A retired state employee who fails to elect to participate in the state health plan within 31 days of the effective date of retirement, **or who once having elected to participate, discontinues participation,** is barred from participating in the state health plan thereafter."

Pay increases in the works

Governor's proposed budget include the following raises for state employees:

1 -- A 2 percent base increase for all state employees effective June 10.

2 -- A 2 percent merit increase for state employees with three or more years of continuous service, effective June 10.

3 -- A 1 percent bonus added, payable in December 2019.

For more information, contact Rick Fowler at (434) 836-5861 or at rfowler@vgea.org.



www.vgea.org

[Like VGEA on Facebook](#)