

TITLE 1: GOVERNMENT
DIVISION 8: PUBLIC EMPLOYMENT

§ 8454. Defined Contribution Retirement Plan Established; Federal Qualification Requirements.

(a) A defined contribution retirement plan is established for employees of the Commonwealth. The defined contribution retirement plan is a plan in which savings are accumulated in an individual retirement account for the exclusive benefit of the member or beneficiaries.

(b) The plan is established effective January 1, 2007, or such later effective date as shall be determined necessary by the administrator for the appropriate administration and qualification of the plan. On the effective date contributions by employers and members shall begin.

(c) The retirement plan established by this chapter is intended to qualify under 26 U.S.C. 401(a), 414(d), 414(k), 457, and other applicable law (Internal Revenue Code) as a qualified retirement plan established and maintained by the Commonwealth for its employees, including the employees of its political subdivisions, public corporations, and independent agencies.

(d) An amendment to this chapter does not provide a person with a vested right to a benefit if the Internal Revenue Service determines that the amendment will result in disqualification of the plan under the Internal Revenue Code, as adopted in and applied to the Commonwealth.

(e) The retirement plan established by this chapter is supplemental to any participation now or hereafter provided to Commonwealth employees in the United States Social Security System.

Source: PL 15-13, § 3 (8454).