

Virginia Retirement System 2001 Fiscal Impact Statement

1. **Bill Number** HB2005

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron** Johnson

3. **Committee** Appropriations

4. **Title** Retirement System; prior service credit.

5. **Summary/Purpose:**

This bill lowers from 25 years to 20 years the minimum length of time a member must be covered by the Virginia Retirement System before being eligible to purchase up to four years of prior service credit for active duty military service or service in another public retirement system at the rate of five percent of salary for each year to be credited.

6. **Fiscal Impact Estimates are:**

6a. **Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2000-01	-0-		
2001-02	\$763,000		State GF
	\$454,000		State NGF
	\$30,000		SPORS GF
	\$4,000		SPORS NGF
	\$128,000		VALORS GF
	\$14,000		VALORS NGF
	\$612,000		Teacher State SOQ Base
	\$495,000		Teacher Local SOQ Base
	\$554,000		Teacher Local Cost
	\$820,000		Localities (Aggregate)
2002-03	\$794,000		State GF
	\$472,000		State NGF
	\$32,000		SPORS GF
	\$4,000		SPORS NGF
	\$133,000		VALORS GF
	\$15,000		VALORS NGF
	\$637,000		Teacher State SOQ Base
	\$515,000		Teacher Local SOQ Base
	\$576,000		Teacher Local Cost
	\$853,000		Localities (Aggregate)

7. **Budget amendment necessary:** Yes

8. **Fiscal implications:** This bill results will result in both an increase to expected utilization and larger employer subsidies to the actuarial cost of the purchases.

9. **Specific agency or political subdivisions affected:** VRS and participating employers.

10. Technical amendment necessary: None

11. Other comments: None

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