

Virginia Retirement System

2001 Fiscal Impact Statement

1. Bill Number HB2231

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

2. Patron Stump

3. Committee Appropriations

4. Title Retirement System; health insurance credits for retired teachers.

5. Summary/Purpose:

Extends the health insurance credit of two and one-half dollars per month for each year of creditable service, with a monthly maximum of \$75, currently available to retired teachers, to retired school division employees who participated in VRS and have at least 15 years of creditable service. This would cover school division employees not included under the definition of a teacher, including, but not limited to, bus drivers, janitors, and cafeteria workers. Under current law, such employees are entitled to a credit of only one and one-half dollars per month for each year of creditable service, with a monthly maximum of \$45. The bill also allows retired school division employees to receive the credit if, after leaving school division service, they worked for a local government that does not elect to provide a retiree health insurance credit. The effective date of the bill is July 1, 2002, and is contingent on sufficient appropriations by the General Assembly in the 2002 Session.

6. Fiscal Impact Estimates are:

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2000-01			
2001-02	\$2,110,000		GF
2002-03	\$2,194,000		GF

7. Budget amendment necessary: Yes

8. Fiscal implications: This bill has a delayed enactment and is subject to funds being appropriated. The affected employees may now be provided a health credit of \$1.50 per year of service per month (\$45.00 maximum) as a local option.

9. Specific agency or political subdivisions affected: VRS and local school divisions.

10. Technical amendment necessary: None

11. Other comments: None

Date: 01/19/01 / wgh

