

## Virginia Retirement System 2001 Fiscal Impact Statement

**1. Bill Number** HB2638

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron** Callahan

**3. Committee** Appropriations

**4. Title** Retirement; benefits for certain local employees.

**5. Summary/Purpose:**

This bill adds emergency medical technicians to the group of local employees eligible, at local option, to receive special retirement benefits (LEOS/FIRE) equivalent to the retirement benefits provided to retired state police officers. The bill also mandates that fire fighters and emergency medical technicians be permitted to retire regardless of age after 25 years of service, without any actuarial reduction in the amount of the retirement allowance.

6. There is no fiscal impact on the Commonwealth resulting from this bill. There is, however, a fiscal impact on political subdivisions participating in the VRS that have full time salaried firefighters and emergency medical technicians.

7. Budget amendment necessary: None

8. Fiscal implications: VRS does not have sufficient information available to determine the fiscal impact of this bill on localities.

9. Specific agency or political subdivisions affected: Localities participating in the VRS that have full time salaried firefighters and emergency medical technicians.

10. Technical amendment necessary: There is a conflict in this bill. Current law provides that localities may elect to provide special benefits equivalent to those of State Police officers. The amendments add a new group, emergency medical technicians, as well as the previously eligible groups to that election procedure. However, in lines 27-31, the bill overrides that election and requires the locality to provide unreduced benefits to firefighters and emergency medical technicians after 25 years of service, regardless of age. The bill does not need both an option and a mandate in the same paragraph.

This bill results in a benefit structure more favorable than those provided to State Police officers. This bill in its current form is not clear as to the level of benefits payable to firefighters and emergency medical technicians.

11. Other comments: None

**Date:** 01/19/01 wgh

