

VIRGINIA RETIREMENT SYSTEM

2002 Fiscal Impact Statement

1. **Bill Number** HB525

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

2. **Patron** Devolites

3. **Committee** Appropriations

4. **Title** Law Officers' Retirement System; retirement allowance.

5. **Summary/Purpose:**

This bill increases from 2 to 2.7, the percentage of average final compensation that is multiplied by the amount of creditable service in determining the amount of the retirement allowance for certain members of the Virginia Law Officers' Retirement System.

6. **Fiscal Impact Estimates are:**

6a. **Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2001-02			
2002-03			
2003-04	\$43.6 million		GF
	\$4.8 million		NGF

7. **Budget amendment necessary:** Yes. Item 511.

8. **Fiscal implications:** Chapter 1073 of the 2000 Acts of Assembly requires the VRS to conduct actuarial valuations annually. The costs associated with this bill would accrue in FY03 and FY04, but would not be recognized in the employer contribution rates until FY04.

9. **Specific agency or political subdivisions affected:** VRS and state agencies having employees covered under VALORS

10. **Technical amendment necessary:** No

11. **Other comments:** There are 5 bills that would include additional groups in VALORS. Inclusion of any of those groups would increase the cost of this bill.

Date: 01/21/02/wgh

Document: hb525