

# VIRGINIA RETIREMENT SYSTEM

## 2002 Fiscal Impact Statement

1. **Bill Number** HB194

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

2. **Patron** Morgan

3. **Committee** Appropriations

4. **Title** Health insurance credit; retired teachers.

5. **Summary/Purpose:**

This bill increases the health insurance credit for retired teachers from \$2.50 to four dollars per month for teachers for each full year of creditable service, not to exceed a maximum monthly credit of \$120 for teachers with 30 or more years of creditable service.

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	\$8.5 million		Teacher State Share
	\$11.8 million		Teacher Local Share

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

8. **Fiscal implications:** Chapter 1073 of the 2000 Acts of Assembly requires the VRSto 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:** VRSto and public school divisions

10. **Technical amendment necessary:** No

11. **Other comments:** The above fiscal impact reflects pay -as-you-go funding.

**Date:** 01/22/02/ **wgh**

**Document:** hb194