

Virginia Retirement System 2003 Fiscal Impact Statement

1. Bill Number HB2345

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

2. Patron Weatherholtz

3. Committee Appropriations

4. Title Deputy sheriffs; retirement allowance.

5. Summary/Purpose:

Deputy sheriffs; retirement allowance. Provides that deputy sheriffs employed by political subdivisions participating in the Virginia Retirement System ("VRS") shall receive the same retirement benefits as sheriffs. Under current law, any sheriff employed by a political subdivision participating in VRS shall receive retirement benefits equivalent to those provided under the State Police Officers' Retirement System (SPORS) for state police officers (LEOS). This bill would provide that deputy sheriffs, whose political subdivision participates in VRS, also receive retirement benefits equivalent to those provided under SPORS.

6. Fiscal Impact: See No. 8 below.

7. Budget amendment necessary: No

8. Fiscal implications: Approval of this bill would be considered in the June 30, 2003 actuarial valuations and would be recognized in employer contribution rates of affected cities and counties on July 1, 2004. Heretofore, the decision to cover deputy sheriffs under special benefits for law enforcement officers (LEOS) has rested with the locality. Currently, 50 cities and counties participating in the VRS do not cover their deputy sheriffs under LEOS. This bill would result in approximately 885 deputy sheriffs being covered. Because VRS cannot identify these deputies from its records, the actual cost to each locality cannot be determined. Using the contribution rates calculated for SPORS and the Virginia Law Officers Retirement System (VALORS), the aggregate cost to localities would range from \$3.9 million annually to \$4.4 million annually. Currently, the state reimburses localities for the state-funded deputy sheriff positions and the state-funded salary capped at the employer contribution rate for state employees. If an individual locality's rate is below the state rate and the addition of LEOS for deputy sheriffs increased that rate, then the state's reimbursement would increase to an amount not to exceed the state rate. To that degree, there would be a cost to the Commonwealth resulting from this bill.

This bill does not extend LEOS benefits to jail officers in regional jails, which would increase the cost to localities supporting those jails.

9. Specific agency or political subdivisions affected: VRS and localities without LEOS coverage.

10. Technical amendment necessary: No

11. Other comments: None

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