

Virginia Retirement System
Revised 2004 Fiscal Impact Statement
(Revision has been made to Fiscal Implication section)

1. Bill Number HB551

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 May

3. Committee Appropriations

4. Title Government Employees Deferred Compensation Plan Act; collection of

5. Summary/Purpose:

Government Employees Deferred Compensation Plan Act; collection of administrative fees by political subdivisions. Permits participating political subdivisions to collect administrative fees imposed by the Virginia Retirement System from participating employees.

6. No fiscal impact on the Commonwealth.

7. Budget amendment necessary: No

8. Fiscal implications: Political subdivisions are allowed to participate in the Deferred Compensation Program (DCP) administered by the VRS. Because retirement trust funds cannot be used to offset expenses of ancillary programs, VRS charges participating political subdivisions a per capita administrative fee. This Bill allows those employers to require their participating employees to pay the administrative fee if they choose to do so.

9. Specific agency or political subdivisions affected: VRS and political subdivisions participating in the DCP.

10. Technical amendment necessary: No

11. Other comments: This Bill is requested by the VRS Board of Trustees.

Date: 01/27/04 / wgh

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