

# Virginia Retirement System 2004 Fiscal Impact Statement

**1. Bill Number** HB84

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

**2. Patron** Callahan

**3. Committee** Appropriations

**4. Title** Retirement; state police and certain local law-enforcement officers.

**5. Summary/Purpose:**

Retirement; state police officers and certain local law-enforcement officers. Modifies the retirement benefits of state police officers and to certain local law-enforcement officers by (i) increasing from 1.7 percent to 2.7 percent the percentage of average final compensation multiplied by the years of creditable service in such positions, and by deleting the supplemental allowance currently paid to members upon retirement until their Social Security retirement age; (ii) deleting the minimum age requirement for retirement for members with 25 or more years of service; and (iii) providing that deputy sheriffs employed by political subdivisions participating in the Virginia Retirement System shall receive the same retirement benefits as sheriffs.

**6. Fiscal Impact Estimates are: ( in millions)**

	FY05	FY06	FY07	FY08	FY09	FY10
SPORS GF	\$15.49	\$15.95	\$16.43	\$16.93	\$17.43	\$17.96
SPORS NGF	\$1.72	\$1.77	\$1.83	\$1.88	\$1.94	\$2.00
VALORS GF	\$28.60	\$29.46	\$30.34	\$31.26	\$32.19	\$33.16
VALORS NGF	\$5.05	\$5.20	\$5.35	\$5.52	\$5.68	\$5.85
LOCAL (Aggregate)	\$83.30	\$85.80	\$88.38	\$91.02	\$93.76	\$96.57

**7. Budget amendment necessary:** If this bill is approved, VRS will require an additional appropriation of \$135,000 (NGF) in FY05 for system development and communications.

**8. Fiscal implications:** Liabilities associated with this bill would accrue in FY05 and FY06, but would not be recognized in the employer contribution rates until FY07. The costs shown in #6 do not reflect reimbursement to localities through the State Compensation Board.

**9. Specific agency or political subdivisions affected:** VRS, Department of State Police, state agencies with VaLORS employees and cities and counties.

**10. Technical amendment necessary:** None

**11. Other comments:** This Bill does not include employees of regional jails.

**Date:** 01/29/04 / wgh

**Document:** h84