

Virginia Retirement System 2004 Fiscal Impact Statement

1. Bill Number HB860

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

2. Patron Ingram

3. Committee Appropriations

4. Title Virginia Law Officers' Retirement System.

5. Summary/Purpose: Virginia Law Officers' Retirement System. Adds firefighters of the Virginia National Guard Fire and Rescue as 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>
2003-04	-0-		
2004-05	\$147,000		
2005-06	\$151,000		
2006-07	\$155,000		
2007-08	\$160,000		
2008-09	\$165,000		
2009-10	\$170,000		

7. Budget amendment necessary: No. See #8.

8. Fiscal implications: The cost of this bill has been calculated using the Board or Trustees certified rates from the June 30, 2003 valuations. Liabilities associated with this bill would accrue in FY05 and FY06, but would not be recognized in the employer contribution rates until FY07. There have been 4 bills introduced this year to include new groups of employees under VALORS, not including those including sheriffs and deputies. In 1999, the General Assembly and Governor approved the establishment of the Virginia Law Officers Retirement System (VALORS) to provide benefits equivalent to state police officers to certain other law enforcement positions. The law was effective October 1, 1999 and the benefit structure was amended in 2001. VRS continues to recommend that before any other groups of employees are included under VALORS, the General Assembly consider the criteria it will use to determine future eligibility. Failure to have an established and consistent policy for inclusion of members in VALORS may result in employee initiated suits for inclusion that will leave the Commonwealth with no valid defense.

9. Specific agency or political subdivisions affected: VRS and the Department of Military Affairs.

10. Technical amendment necessary: No

11. Other comments: HB18, HB1229 and SB164 also expand the membership of state employees in VALORS. This Bill would be the introduction of the first group of non-law enforcement personnel into VALORS.

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