

Virginia Retirement System 2005 Fiscal Impact Statement

1. Bill Number HB1653

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Tata

3. Committee Appropriations

4. Title Virginia Retirement Service; life insurance.

5. Summary/Purpose:

Virginia Retirement System Group Life insurance. Clarifies that an employee who retires with at least 20 years of creditable service with a retirement plan administered by the VRS or any other public plan participating in the group life insurance program will have life insurance at retirement based on two times his highest annual salary earned during such employment. Such insurance decreases at the rate of 25% annually until it reaches 25% of the value at retirement.

6. No Fiscal Impact

7. Budget amendment necessary: No

8. Fiscal implications: Because the insurance carrier assumes that life insurance will be based upon highest salary in setting premiums, there are no costs associated with this bill.

9. Specific agency or political subdivisions affected: VRS and participating employers.

10. Technical amendment necessary: No

11. Other comments: This bill further clarifies a provision put in law in 2003 and amended in 2004. It was requested by the VRS Board of Trustees.

Date: 01/12/05 / wgh

Document: HB1653