

## Virginia Retirement System 2005 Fiscal Impact Statement

**1. Bill Number** HB2183

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

**2. Patron**        Tata

**3. Committee**   Appropriations

**4. Title**           Virginia Retirement System; participation by members of a city council.

**5. Summary/Purpose:**

Virginia Retirement System; participation by members of a city council. Includes members of a city council of a city participating in the Virginia Retirement System. The bill also allows a member of a city council to continue to receive a retirement allowance based on creditable service for a position other than as a member of city council.

**6. No Fiscal Impact.** See Fiscal Implications.

**7. Budget amendment necessary:** No

**8. Fiscal implications:** The cost of participation of local employees is borne by the individual locality so there is no fiscal impact on the Commonwealth.

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

**10. Technical amendment necessary:** No

**11. Other comments:** VRS has several observations related to this bill:

- This bill would set a precedent by allowing local elected officials, other than Constitutional Officers, to participate in the VRS.
- Local governing bodies are part time “employees.” The bill would also set a precedent by allowing part time local “employees” into the VRS.
- The bill allows members of city councils, but does not address other elected governing bodies such as boards of supervisors or town councils.
- Local elected officials who would serve less than five years, e.g. serving only one term, would not meet the vesting requirement.
- Because of the part time nature of local governing bodies, most members are covered for retirement based on their full time positions.
- There could be implications for members of local governing bodies who are either current VRS members or retirees.

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