

Virginia Retirement System 2005 Fiscal Impact Statement

1. Bill Number SB785

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Stosch

3. Committee Finance

4. Title Virginia Retirement System, default payment option for retirement allowances.

5. Summary/Purpose:

Virginia Retirement System, default payment option for retirement allowances. Provides that the retirement allowance shall be paid as a single life annuity in cases where an inactive member, following reasonable notification, has not selected a payment option for his/her retirement allowance by the mandatory beginning date for payment of the allowance, usually age 70 1/2. A spousal acknowledgement of the payment option and the basic benefit shall not be required in these situations.

6. No Fiscal Impact

7. Budget amendment necessary: No

8. Fiscal implications: Because all options for the payment of benefits must be actuarially equivalent to the basic benefit, there are no cost implications associated with this bill.

9. Specific agency or political subdivisions affected: VRS

10. Technical amendment necessary: No

11. Other comments: This bill was requested by the VRS Board of Trustees

Date: 01/11/05
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Document: SB785