

Virginia Retirement System

Revised 2005 Fiscal Impact Statement

1. Bill Number SB840

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

2. Patron Deeds

3. Committee Finance

4. Title Virginia Law Officers' Retirement System; membership.

5. Summary/Purpose:

Virginia Law Officers' Retirement System; membership. Adds court service unit officers employed by the Department of Juvenile Justice to membership in 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>
2004-05			
2005-06	\$4,413,418		GF
2006-07	\$4,589,995		GF
2007-08	\$4,773,553		GF
2008-09	\$4,964,495		GF
2009-10	\$5,163,075		GF
2010-11	\$5,369,598		GF

7. Budget amendment necessary: Yes. If this bill is approved, the coverage for the affected employees would begin and the Department of Juvenile would be charged the higher VaLORS contribution rate effective July 1, 2005. This bill would require a budget amendment for FY06.

8. Fiscal implications: The Code of Virginia requires the VRS to set contribution rates every two years. The costs associated with this bill would accrue in FY06, but would not be recognized in the employer contribution rates until FY07.

9. Specific agency or political subdivisions affected: VRS and Department of Juvenile Justice

10. Technical amendment necessary: No

11. Other comments: There have been 5 bills introduced this year to included this group of employees under VALORS, not including any bills 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.

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