

Virginia Retirement System 2006 Fiscal Impact Statement

1. Bill Number SB495

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Ruff

3. Committee Finance

4. Title Virginia Law Officers' Retirement System.

5. Summary/Purpose:

Virginia Law Officers' Retirement System. Provides that the supplemental allowance currently paid to certain members upon retirement until age 65 shall instead be paid until Social Security retirement age.

6. Fiscal Impact Estimates are:

6a. Expenditure Impact:

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
State-GF	-	-	-	-	-	-
SPORS-GF	-	-	-	-	-	-
VaLORS-GF	1,581,000	1,644,000	1,710,000	1,778,000	1,849,000	1,923,000
JRS-GF	-	-	-	-	-	-
Teacher-GF	-	-	-	-	-	-
Total GF	1,581,000	1,644,000	1,710,000	1,778,000	1,849,000	1,923,000
State-NGF	-	-	-	-	-	-
SPORS-NGF	-	-	-	-	-	-
VaLORS-NGF	123,000	128,000	133,000	138,000	144,000	150,000
Total NGF	123,000	128,000	133,000	138,000	144,000	150,000
Teacher-Local	-	-	-	-	-	-
Local Agregate	-	-	-	-	-	-
Total Local	-	-	-	-	-	-
Grand Total	1,704,000	1,772,000	1,843,000	1,916,000	1,993,000	2,073,000

7. Budget amendment necessary: No. The *Code of Virginia* requires the VRS to set contribution rates every two years. The costs associated with this bill would accrue in FY07, but would not be recognized in the employer contribution rates until FY08.

8. Fiscal implications: See Expenditure Impact above.

9. Specific agency or political subdivisions affected: VRS and state agencies with employees participating in VaLORS

10. Technical amendment necessary: No

11. Other comments: In 2001, a similar change in statute was made to the State Police Officers' Retirement System and, by reference for local law enforcement officers and firefighter with special benefits (LEOS/FIRE). At that time, the change was not made for the Virginia Law Officers' Retirement System. Because new members of VaLORS and certain other members of VaLORS who elected to do so will receive a higher multiplier in lieu of the supplement, this change will affect a finite number of current employees and retirees.

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