

Virginia Retirement System 2006 Fiscal Impact Statement

1. Bill Number SB508

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Puckett

3. Committee Finance

4. Title Retirement; state police and state and local law-enforcement officers.

5. Summary/Purpose:

Retirement; state police and state and local law-enforcement officers. Modifies the retirement benefits of state police and certain state and local law-enforcement officers by increasing from 1.7% to 2.5% the percentage of average final compensation multiplied by the years of creditable service in such positions, and by deleting the supplemental allowance currently paid to members upon retirement.

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	7,363,000	7,658,000	7,964,000	8,283,000	8,614,000	8,959,000
VaLORS-GF	16,974,000	17,653,000	18,359,000	19,093,000	19,857,000	20,651,000
JRS-GF	-	-	-	-	-	-
Teacher-GF	-	-	-	-	-	-
Total GF	24,337,000	25,311,000	26,323,000	27,376,000	28,471,000	29,610,000
State-NGF	-	-	-	-	-	-
SPORS-NGF	1,676,000	1,743,000	1,813,000	1,886,000	1,961,000	2,039,000
VaLORS-NGF	1,317,000	1,370,000	1,425,000	1,482,000	1,541,000	1,603,000
Total NGF	2,993,000	3,113,000	3,238,000	3,368,000	3,502,000	3,642,000
Teacher-Local	-	-	-	-	-	-
Local Agregate	-	-	-	-	-	-
Total Local	-	-	-	-	-	-
Grand Total	27,330,000	28,424,000	29,561,000	30,744,000	31,973,000	33,252,000

This does not reflect the additional cost to local governments associated with the extension of this benefit to local law-enforcement officers because the rate for each locality is unique.

7. Budget amendment necessary: No

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 FY07 but would not be recognized in the employer contribution rates until FY08.

9. Specific agency or political subdivisions affected: VRS, state employers, state police and certain other hazardous duty employees.

10. Technical amendment necessary: No

11. Other comments: None

Date: 01/26/06/pas

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