

Virginia Retirement System 2007 Fiscal Impact Statement

1. Bill Number HB 1766

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

2. Patron Shuler

3. Committee Appropriations

4. Title **Virginia Retirement System; health insurance credits for retired teachers.**

5. Summary/Purpose: Increases the health insurance credit for retired teachers to \$4 per month for each year of creditable service with no monthly cap. Under current law, retired teachers with 15 or more years of service are allowed a health insurance credit of \$2.50 per month for each year of creditable service with a cap of \$75 per month.

6. Fiscal Impact Estimates are:

| | <u>2007-08</u> | <u>2008-09</u> | <u>2009-10</u> | <u>2010-11</u> | <u>2011-12</u> | <u>2012-13</u> |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| State-GF | | | | | | |
| SPORS-GF | | | | | | |
| VaLORS-GF | | | | | | |
| JRS-GF | | | | | | |
| Teacher-GF | 11,282,000 | 11,733,000 | 12,202,000 | 12,690,000 | 13,198,000 | 13,726,000 |
| Total GF | 11,282,000 | 11,733,000 | 12,202,000 | 12,690,000 | 13,198,000 | 13,726,000 |
| State-NGF | | | | | | |
| SPORS-NGF | | | | | | |
| VaLORS-NGF | | | | | | |
| Total NGF | | | | | | |
| Teacher-Local | 17,419,000 | 18,116,000 | 18,841,000 | 19,595,000 | 20,379,000 | 21,194,000 |
| Local Agregate | | | | | | |
| Total Local | 17,419,000 | 18,116,000 | 18,841,000 | 19,595,000 | 20,379,000 | 21,194,000 |
| Grand Total | 28,701,000 | 29,849,000 | 31,043,000 | 32,285,000 | 33,577,000 | 34,920,000 |

7. Budget amendment necessary: Yes. The cost of this legislation will be reflected in higher employer contribution rates for FY08.

8. Fiscal implications: See Fiscal Impact Estimates above.

9. Specific agency or political subdivisions affected: VRS and local school boards

10. Technical amendment necessary: No

11. Other comments: None

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