

Virginia Retirement System 2007 Fiscal Impact Statement

1. Bill Number HB2370

House of Origin ☐ Introduced ☐ Substitute ☒ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Tata

3. Committee Appropriations

4. Title Health insurance credits; teachers.

5. Summary/Purpose: Health insurance credits; teachers. Increases the monthly health insurance credit to retired teachers from \$2.50 to \$4 for each full year of the retired member's creditable service not to exceed a maximum of \$120 per month.

The effective date of the provisions of the bill is January 1, 2008 and is applicable to teachers who retired prior to the effective date of this legislation and to those who will retire on or after January 1, 2008. Finally, the third enactment stipulates that the provisions the bill will not take effect unless an appropriation of general funds to effectuate the bill's provisions is included in the general appropriation act passed by the 2007 Session of the General Assembly.

6. Fiscal Impact Estimates are:

6a. Expenditure Impact:

	<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	5,641,000	11,733,000	12,202,000	12,690,000	13,198,000	13,726,000
Total GF	5,641,000	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	8,709,000	18,116,000	18,841,000	19,595,000	20,379,000	21,194,000
Local Agregate						
Total Local	8,709,000	18,116,000	18,841,000	19,595,000	20,379,000	21,194,000
Grand Total	14,350,000	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 increased employer contribution rates for FY08.

8. Fiscal implications: See Expenditure Impact above.

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

10. Technical amendment necessary: No

11. Other comments: None

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