

Virginia Retirement System 2008 Fiscal Impact Statement

1. Bill Number: HB695

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Armstrong

3. Committee: Appropriations

4. Title: **Virginia Retirement System; loss of retirement benefits for certain felonious convictions.**

5. Summary: Virginia Retirement System; loss of retirement benefits for certain felonious convictions. Provides that a member of any of the retirement programs administered by the Virginia Retirement System forfeits his retirement benefits upon conviction of a felony that arises out of misconduct in any position covered under the retirement programs administered by the Virginia Retirement System.

6. Fiscal Impact Estimates: There is no fiscal impact.

7. Budget Amendment Necessary: No

8. Fiscal Implications: None

9. Specific Agency or Political Subdivisions Affected:

10. Technical Amendment Necessary: No

11. Other Comments:

The substitute:

- Shifts the responsibility of connecting the felony misconduct to the person's covered employment from VRS to the employer.
- Clarifies that the identity of the employer for constitutional officers in the context of this legislation is the governing body of any locality served by the constitutional officer.
- Maintains an opportunity for judicial review of the employer's determination.
- Removes the reference to "future" benefits to cover situations where the felony misconduct is not discovered or prosecuted until after a person's retirement.
- Revises language regarding the Board's implementation of the employer's determination to allow VRS to process this type of matter within its ordinary course of business.

- Clarifies that any service credit lost under the statute may not be purchased at a later time.
- Removes the existing statutory language regarding loss of benefits to eliminate ambiguity and reduce the chance of confusion or misapplication.

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