

Virginia Retirement System 2008 Fiscal Impact Statement

1. Bill Number: HB981

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Nutter

3. Committee: Pending

4. Title: **Virginia Retirement System; local law-enforcement officers.**

5. Summary: Virginia Retirement System; local law-enforcement officers. Requires localities choosing to provide retirement benefits to local law-enforcement officers that are comparable to the benefits provided to state police officers, to use a retirement multiplier of 1.85%. Under current law localities may choose a multiplier of 1.7% or 1.85%.

6. Fiscal Impact Estimates:

6a. Expenditure Impact:

| | <u>2008-09</u> | <u>2009-10</u> | <u>2010-11</u> | <u>2011-12</u> | <u>2012-13</u> | <u>2013-14</u> |
|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| State-GF | | | | | | |
| SPORS-GF | | | | | | |
| VaLORS-GF | | | | | | |
| JRS-GF | | | | | | |
| Teacher-GF | | | | | | |
| Total GF | - | - | - | - | - | - |
| State-NGF | | | | | | |
| SPORS-NGF | | | | | | |
| VaLORS-NGF | | | | | | |
| Total NGF | - | - | - | - | - | - |
| Teacher-Local | | | | | | |
| Local Aggregate | \$13,129,606 | \$13,654,790 | \$14,200,982 | \$14,769,021 | \$15,359,782 | \$15,974,173 |
| Total Local | \$13,129,606 | \$13,654,790 | \$14,200,982 | \$14,769,021 | \$15,359,782 | \$15,974,173 |
| Grand Total | \$13,129,606 | \$13,654,790 | \$14,200,982 | \$14,769,021 | \$15,359,782 | \$15,974,173 |

7. Budget Amendment Necessary: Yes. The cost of this legislation will be reflected in increased employer contributions for FY09.

8. Fiscal Implications: See Expenditure Impact above.

9. Specific Agency or Political Subdivisions Affected: VRS, the State Compensation Board, and localities providing enhanced benefits for certain hazardous duty officers.

10. Technical Amendment Necessary: No

11. Other Comments:

- The State Compensation Board will likely incur some additional costs due to the impact of higher employer contribution rates. The Board's methodology for reimbursing retirement costs is capped at the lower of: (1) the locality's actual retirement costs or (2) the employer contribution rate in effect for state employees.

Date: 01/24/2008 pas

Document: HB981.DOC