

Virginia Retirement System 2008 Fiscal Impact Statement

1. Bill Number: SB367

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

2. Patron: Watkins

3. Committee: Finance

4. Title: **VRS; retirement credits for special forest wardens.**

5. Summary: VRS; retirement credits for special forest wardens. Senate Bill 367 provides retirement credits to special forest wardens of the Department of Forestry who participate directly in extinguishing forest fires. Eligible employees would receive eight hours of retirement credits for each day or portion of any day in which they participate directly in extinguishing a forest fire. The retirement credits could be used to reduce the 30 years of service otherwise required for eligibility for an unreduced service retirement allowance, but not reduce eligibility below 25 years of service. Each month of service would be eliminated at the rate of one month of service for each 173 hours of retirement credits. The cost of the benefits provided through this legislation would be paid entirely by the Department of Forestry as an addition to its employer contribution rate certified by the Virginia Retirement System Board of Trustees.

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	\$46,000	\$48,000	\$50,000	\$52,000	\$54,000	\$56,000
SPORS-GF						
VaLORS-GF						
JRS-GF						
Teacher-GF						
Total GF	<u>\$46,000</u>	<u>\$48,000</u>	<u>\$50,000</u>	<u>\$52,000</u>	<u>\$54,000</u>	<u>\$56,000</u>
State-NGF	\$15,000	\$16,000	\$17,000	\$18,000	\$19,000	\$20,000
SPORS-NGF						
VaLORS-NGF						
Total NGF	<u>\$15,000</u>	<u>\$16,000</u>	<u>\$17,000</u>	<u>\$18,000</u>	<u>\$19,000</u>	<u>\$20,000</u>
Teacher-Local						
Local Aggregate						
Total Local						
Grand Total	<u>\$61,000</u>	<u>\$64,000</u>	<u>\$67,000</u>	<u>\$70,000</u>	<u>\$73,000</u>	<u>\$76,000</u>

- 7. Budget Amendment Necessary:** Yes. The cost of this legislation will be reflected in increased employer contribution rates for the Department of Forestry for FY09.
- 8. Fiscal Implications:** See Expenditure Impact.
- 9. Specific Agency or Political Subdivisions Affected:** VRS and the Department of Forestry
- 10. Technical Amendment Necessary:** No

11. Other Comments:

- The substitute adds a requirement that this legislation will not become effective unless general funds are appropriated by the 2008 session of the General Assembly for costs associated with the enactment of this legislation.
- The cost estimates in #6 were developed from workload data collected, verified, and reported by the Department of Forestry.
- The proposed legislation could create a precedent for other VRS employers (state agencies, local school boards, and local political subdivisions) to request that provides a modified VRS benefit that recognizes a unique workload activity they perform.

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