

Virginia Retirement System 2012 Fiscal Impact Statement

1. **Bill Number:** SB216

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

2. **Patron:** Barker

3. **Committee:** Finance

4. **Title:** Virginia Retirement System; retirees hired as school board security personnel.

5. **Summary:** Virginia Retirement System; Retirees hired as school board security personnel. Provides that retired law-enforcement officers may be hired as local school board security personnel without interruption of their retirement benefits under certain conditions.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** See Other Comments below.

8. **Fiscal Implications:** See Other Comments below.

9. **Specific Agency or Political Subdivisions Affected:** VRS and local school divisions

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** The substitute bill adds subsections e. and f. to the new section 4. Subsection e. requires the hiring school division to pay the employer share of retirement contributions to VRS as if the person were a covered employee. Subsection f. requires the Superintendent of Public Instruction to make a finding that there is a demonstrated need to fill the positions and that there are no qualified applicants other than a person receiving a VRS service retirement allowance; the VRS Board of Trustees must also accept these findings. The substitute bill is consistent with VRS' comments in the previous FIS that note that return to work bills in the past have generally been confined to employee groups where critical shortages exist, and that similar bills in the past have required the school divisions that hire these individuals to pay the employer contribution to the VRS. The changes in the substitute bill do not add a fiscal impact and would result in a slight savings due to the employer contributions.

Date: 2.6.2012

Document: SB216S1.doc