

VIRGINIA RETIREMENT SYSTEM

2002 Fiscal Impact Statement

1. Bill Number SB80

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

2. Patron Wampler

3. Committee Finance

4. Title Virginia Law Officers' Retirement System; deputy sheriffs.

5. Summary/Purpose:

This bill makes deputy sheriffs members of the Virginia Law Officers' Retirement System under certain conditions, including the election of such by their respective sheriff. Funding for such membership shall be provided by the Compensation Board for state-funded deputies and by the locality for non-state-funded deputies. If there are locally funded deputies in the same locality, those deputies are provided the same benefits as the state-funded deputies, at local expense.

6. Fiscal impact: This bill allows a Sheriff to provide that all state-funded deputy sheriffs in a locality will be members of VaLORS. The bill also provides that if the state-funded positions are covered, then the locally funded positions will be covered as well. The bill provides that the Compensation Board will bear the cost of the benefits. The Compensation Board is currently limited in its cost by language in the Appropriations Act. If all Sheriff select the coverage, the cost of coverage over what is reimbursable by the Compensation Board must be borne by the locality. The total cost for the benefits is approximately \$31.6 million in FY04. Currently, localities may provide special benefits for law enforcement officers with benefit equivalent to those of state police officers (LEOS) to deputies. Seventy-three localities have made this selection. If VaLORS is mandated at partial state expense, the cost for those localities will be reduced by the amount of state funding.

7. Budget amendment necessary: Yes

8. Fiscal implications: Chapter 1073 of the 2000 Acts of Assembly requires the VRSto conduct actuarial valuations annually. The costs associated with this bill would accrue in FY03 and FY04, but would not be recognized in the employer contribution rates until FY04.

9. Specific agency or political subdivisions affected: VRSand participating cities and counties.

10. Technical amendment necessary: No

11. Other comments: This would be the first group of local employees allowed into VaLORS. Also, because sheriffs are mandated to participate in LEOS, sheriffs and deputies would have different benefit structures.

Date: 01/25/02/wgh

Document: sb80