

Virginia Retirement System 2005 Fiscal Impact Statement

1. Bill Number SB817

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Engrossed
Second House	<input checked="" type="checkbox"/> In Committee	<input checked="" type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron Willams and Locke

3. Committee Appropriations

4. Title Teachers; extends sunset provision allowing retirees to be hired without interruption of benefits.

5. Summary/Purpose:

Teacher's retirement allowance. Extends from July 1, 2005, to July 1, 2007, the sunset date for provisions allowing retirees to be hired as teachers or administrative personnel without interruption of their retirement benefits. Requires the VRS to determine the actuarial cost of allowing retired teachers to return to work in critical shortage areas and continue receiving retirement benefits.

6. No Fiscal Impact. See Fiscal Implications.

7. Budget amendment necessary: No

8. Fiscal implications: As noted when the provisions to allow teachers to work after retirement were first approved, any resultant change in future retirement patterns will increase retirement costs over the long run. An estimate of those costs was provided prior to addition of the sunset provisions. Removal or extension of the sunset clauses should not have additional significant actuarial costs.

9. Specific agency or political subdivisions affected: VRS, Department of Education and local school divisions.

10. Technical amendment necessary: No

11. Other comments: None

Date: 03/08/05 / wgh

Document: SB817ER