

Virginia Retirement System 2007 Fiscal Impact Statement

1. Bill Number HB1881

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Caputo

3. Committee Appropriations

4. Title Health insurance; increases credit for retired teachers.

5. Summary/Purpose: Health insurance credits for retired teachers. Increases the monthly health insurance credit for retired teachers from \$2.50 for each year of creditable service to \$4 for each year of creditable service. The bill also removes a monthly cap for such credit and reduces the eligibility requirement from 15 years of creditable service to five years of creditable service. The full cost of these provisions will be paid for by the Commonwealth.

6. Fiscal Impact Estimates are:

6a. Expenditure Impact:

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
State-GF						
SPORS-GF						
VaLORS-GF						
JRS-GF						
Teacher-GF	38,046,000	39,568,000	41,151,000	42,797,000	44,509,000	46,290,000
Total GF	38,046,000	39,568,000	41,151,000	42,797,000	44,509,000	46,290,000
State-NGF						
SPORS-NGF						
VaLORS-NGF						
Total NGF						
Teacher-Local						
Local Aggregate						
Total Local	-	-		-	-	-
Grand Total	38,046,000	39,568,000	41,151,000	42,797,000	44,509,000	46,290,000

7. Budget amendment necessary: Yes. The cost of this legislation will be reflected in increased employer contribution rates for FY08.

8. Fiscal implications: See Expense Impact above

9. Specific agency or political subdivisions affected: VRS and local school divisions

10. Technical amendment necessary: Yes. Provision (iii) on Line 21 appears to apply to a long-term disability program for teachers, not administrators, by VRS. To clarify, the VRS recommends a technical amendment in Line 22 to add “employer-sponsored” before “long-term disability.”

11. Other comments: None

Date: 01/17/07/pas

Document: HB1881